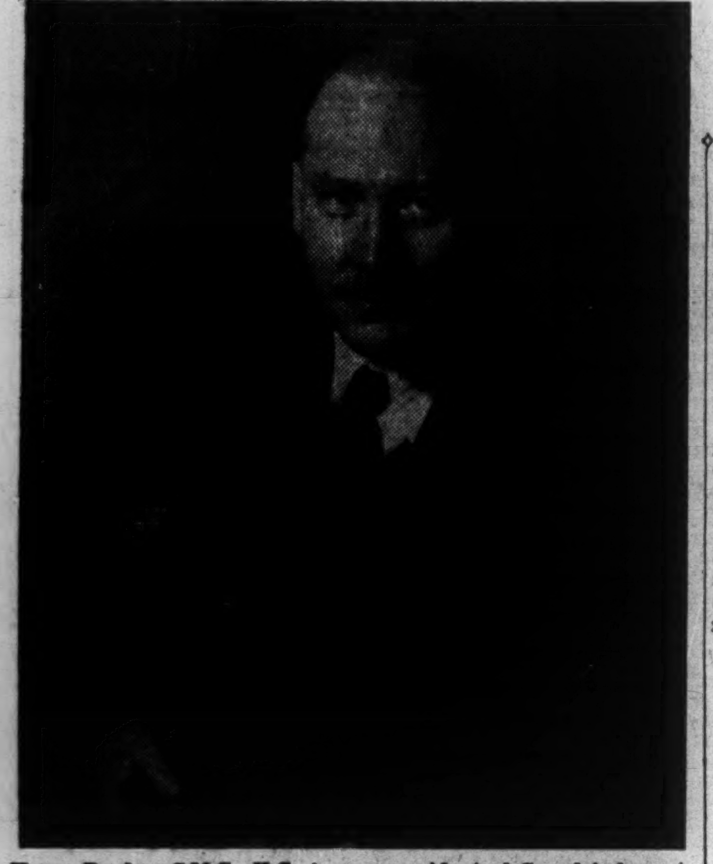
He Heads Brazilian Traction



Henry Borden, C.M.G., K.C., is new president of Canada's largest external industrial undertaking, Brazilian Traction Light & Power Co. Mr. Borden is well known as head of his own Toronto law firm, Borden, Elliott, Kelley, Palmer & Sankey; is chairman Canadian Board of Norwich Fire Insurance Society and of Norwich Union Life Insurance Society and a director of Traders Finance Corp., Barclays Bank (Canada) and Holt Renfrew & Co. During the war he served as general counsel to the Department of Munitions and Supply and later as Co-ordinator of Controls.

The Financial Post

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Price Boosts or Subsidies Seen Here If OPA Vanishes

Many Food Items Affected if U. S. Prices Rise Sharply – Ceiling Clamped on Oranges Here Last Week, Subsidy May Follow.

By KENNETH R. WILSON

OTTAWA (Staff)—Breakup of OPA in the United States will most likely have at least two important consequences in Canada:

(1) It will greatly increase Canada's subsidy bill on coal, textiles and many food items such as fats and oils and possibly citrus fruits.

(2) It may speed the day when Canada will abandon "negative" price decontrol and switch to the positive plane of taking out of the ceiling all but certain "named" commodities and products.

Decision May Come Soon

Government policy in meeting the OPA crisis may crystallize after the WPTB directors' meeting called for July 4. At this meeting broad policy for recommendation to the Government may be formulated from these alternatives: whether to ride out the U. S. storm and temporarily pay greater subsidies on an important number of items; whether to remove ceilings on items which are now expected to lose their OPA "anchor"; whether merely to caution the "trade" in Canada to go very lightly on U. S. imports until the situation clarifies. Some or all of these proposals may be recommended.

Immediate increase in subsidy bills, on coal and textile items particularly, is expected here. The recent increase in anthracite prices in the States is estimated to have added $4.5 millions to subsidy costs already.

Revaluation Possible

The threat of wholesale lifting of controls in the United States has revived speculation on another possible effect in Canada—the return of the Canadian dollar to parity with the U. S. dollar.

At the moment, supporters of this theory explain, the present 10% discount on the Canadian dollar means that it costs Canadians that much more to import from U. S. sources. Should the demise of OPA result in higher U. S. prices, as is considered likely, then one way the Canadian economy could protect itself from the adverse effects of increases in U. S. export prices would be by revaluing the exchange value of the Canadian dollar.

For the 3 to 4 million tons of bituminous coal used by Canadian householders and subsidized by the Government, a major problem arises, if, as and when OPA is abandoned. This is because subsidy payments vary for each producer and area. At the moment these subsidies are "anchored" to official OPA prices. Once these go, the basis of measurement for Canadian subsidy becomes difficult if not almost impossible.

The same is true of a wide variety of textile items. These are presently in very short supply in Canada and, when imported, are subsidized in relation to official OPA prices. Once these prices are removed, the present "pattern" for subsidization will disappear. Canada must then decide whether to follow skyrocketting U. S. prices up indiscriminately and pay the necessary subsidy or to put some sort of "ceiling" on Canadian imports.

Subsidies Restricted

Fortunately the Canadian subsidy problem has been much simplified by the switchover some months ago to "positive" subsidy control. As now administered, only a specific number of "named" commodities are eligible for subsidy. All others are ineligible.

This is undoubtedly the next major move which will be taken sooner or later in respect of all domestic price control. In normal course of events, it is a move which might have been taken posibly around Sept. next. It would not have greatly altered consumer price changes so far as cost-of-living is concerned; but it would greatly ease the administrative difficulties of WPTB.

Now the question is whether this move will be speeded up by reason of what is happening in the United States. Were OPA to disappear entirely in the United States, the field of danger in Canada would be very great. A switchover to the "positive" type of price control would narrow this danger zone, it is argued.

Many food items will be affected by U. S. action, especially citrus fruit, fats and oils. This week Canada reimposed a Canadian price ceiling on oranges. This is what happened last November, when the Americans lifted their

(Continued on page 2, col. 3)

Provinces Lose Many Bounties 'Non-Agreeing'

OTTAWA (Staff)—Nine Canadian provinces woke up the morning of June 28 to the lukewarm comfort of life without an over-all federal-provincial agreement.

They found Ottawa still willing to offer $198 millions for exclusive rights in the personal, corporation and inheritance tax fields. But they found they had lost:

(a) Public investment and other grants worth roughly $150 millions annually.

(b) An old age pension offer worth $220 millions.

(c) Health insurance and grants promises worth an eventual $165 millions.

(d) Any assurance that the Dominion would withdraw either now or in the future from the former exclusively provincial field of gasoline, amusement and pari-mutuel taxes.

These items represent, in short, the price which individual provinces, on behalf of their citizens, will temporarily have to pay for failure to reach agreement with Ottawa for an over-all agreement.

Not all these items will be a permanent loss. Rt. Hon. J. L. Ilsley, in his budget address, left the door open for new social security measures, once there has been an agreement made with each individual province. He promised nothing more than this. He made no mention whatever of what Ottawa would do about gasoline, amusement or pari-mutuel taxes; nor any mention of the various timing and other grants which were part and parcel of earlier offers made originally last August and amended in January and April.

It is understood here that "silence" on gasoline, amusement and pari-mutuel taxes, means that the Federal Government fully intends to stay in these fields, and not to give them over as an exclusively provincial preserve.

One further implication of last Thursday's budget is that the days of formal federal-provincial confer-

(Continued on page 2, col. 3)

Golds Fear CIO Demands May Force Shutdowns

By GORDON M. GRANT

What new "chaos" the CIO eight-point program, including a 29-cents-an-hour wage increase, would bring to gold mines, has been figured out with painful exactitude by mine managements in recent weeks.

Mine operators in the rich northern Ontario goldfields report that acceptance of the eight-point CIO program would mean:

1. Virtual liquidation of a large part of the gold mining industry as we know it today;

2. A loss of wages to gold miners far greater than any indicated gain through a wage increase;

3. Probable stoppage of work on numerous new gold mining projects Canada is counting on to enhance her position in the postwar world.

This grim prospect for gold mining The International Union of Mine, Mill & Smelter Workers (CCL-CIO) would like to fashion is demonstrated by the threat to Porcupine and Kirkland Lake, Canada's two leading gold mining camps. A survey in the field by The Financial Post tells this story.

In Porcupine, where gold mining is on a highly efficient basis, no less than seven of 12 gold producers would have to close, it is reported.

Not less than 2,790 miners would have to be laid off of the 7,260 now on the payroll. And the 4,470 remaining would comprise less than half the 9,191 of pre-war—with the likelihood of even this reduced figure shrinking, as opening of new mines would be too costly.

Taken another way, daily tonnage of ore milled would be reduced from 11,973 tons to 7,371 tons daily.

See Incentive Dulled

With the increased cost, more than a third of all the great ore reserves of Porcupine would be thrown into the "country rock" category; and incentive to search for further ore would be greatly reduced as material, under these cost conditions, would have to be much better grade to rate as ore.

If anything, the situation is more serious in Kirkland Lake than in Porcupine. The manager of a leading mine there outlines the position thus:

"We can do nothing about raising wages in Kirkland Lake until the price of gold is increased. An increase of 29c. an hour is being asked but even an increase of 10c. an hour, such as that granted to workers of International Nickel Co. of Canada, would put three out of Kirkland Lake's seven producers in the red; and the rest near the margin. I am a high wage advocate; I would like to see the boys get a break. But all I can do is tell them that I hope they will play along with us until we can get more for gold and can pay an increase.

"If the Dominion would let us sell our gold on the world market, I feel we could get much more for it than at present; but there appears to be no disposition to let us do this."

What will happen in Porcupine is anyone's guess. Likelihood ap-

(Continued on page 3)

10% Price Boost For Radio Makers

Increase of 10% over the list price of radio receivers manufactured in Canada and complete freedom to negotiate discounts with jobbers and dealers was granted by WPTB, effective July 2, after eight months' petitioning on the part of radio makers, The Financial Post is informed.

In October, 1945, when the industry started on its postwar production, Radio Manufacturers Association of Canada began its effort to secure relief from the the squeeze between fixed ceilings and mounting costs. RMA at that time cited a doubling in the cost of lumber and veneers—which is said to make up about 40% of the cost of console model radios—as an instance of the need for relief. It is understood that the 10% increase just effected is not considered adequate by the industry.

Few Prices Soar in U.S. As Lids Off

Prospect of New Ceiling Law to Replace Expired One, Said Remote by Washington Officials

(Special Correspondence)

WASHINGTON—The question of whether there is to be a general price control law in the United States is still largely unresolved.

Although the House of Representatives has taken the first step toward reconsideration of the expired price control act—having voted to revive pricing authority until July 2—similar action in the Senate has been blocked.

Informed observers here believe no concrete action toward a solution of the problem will take place before next week. Even then, the best that is hoped for by advocates of rigid price control is a measure only slightly stronger than that which was vetoed by President Truman last Saturday—and there is considerable doubt that such a measure can pass Congress.

This view is born out by the fact that leading manufacturers are not only holding the line on prices, but in many cases have influenced their dealers and distributors to take similar action at the retail level. The self-control exhibited thus far by industry is expected to play a major part in convincing legislatures that a revival of the price control law is unecessary, except for a few items like rents and scarce metal.

Brake on Prices

The possibility of price rollbacks in the case of price control's revival has acted as the most impotant brake on commodity dealings thus far. In most fields, sellers withdrew current quotations without determining new selling prices immediately. In the first day following expiration of the law, these market actions took place:

Grains: Cash wheat soared 15 cents over the old ceiling and oats rose 11 cents to 14 cents a bushel. Corn advanced 71 cents over the old ceiling the cash market for an advance of 50%.

Nonferrous metals: Prces for copper, lead and zinc were withdrawn by leading producers and no new prices announced. Trading was at a standstill, No price was posted for foreign silver.

Building materials: None of the leading building materials manufacturers has raised prices. Lumber distributors assured customers prices on present stocks would remain unchanged. Some retail distributors put prices approximately 10% higher. First appearance of higher prices is expected in the export lumber market. Ultimately, lumber prices may approach black market levels.

Pulp and paper: Decisions on upward revisions of paper prices will not be forthcoming, until, perhaps, next week.

EPT Still Worth $315 Millions Year

OTTAWA (Staff)—One reason for Ottawa's retention of the excess profits tax is that this is a more important source of revenue than is generally realized. At the rates which go into effect next year, EPT is saill expected to bring in $315 millions in 1947-8.

Mr. Ilsley estimated that the tax cuts on corporations would reduce this type of revenue by $135 millions. But of this saving to the taxpaying corporations, $115 millions is understood to come from the reduction in the normal tax, only $20 millions from the cut in EPT.

THE NATION'S BUSINESS

Budget Fails to Push Greater Production

Of all the budgets framed by Mr. Ilsley the one last week was bound to be the most difficult. Not only did he face certain loss of large sources of revenue, but a drastic change in the attitude of all taxpayers. While the war lasted the average Canadian was willing and eager to make any sacrifice, to contribute on a colossal scale so long as it speeded victory. Now with the war over almost a year the situation is vastly changed and the citizen expects and has a right to expect reflection of that change in government outlook.

But beyond a commendable step toward balancing receipts and expenditures Mr. Ilsley's budget is largely negative. There is little or no emphasis on government economy. There is little or no encouragement for labor, management and capital to work harder and produce more.

There will be general and justifiable disappointment over both the smallness and deferment of the reductions in taxes. More generous and immediate reductions, especially in the lower income brackets and in corporation and business taxes would have lessened the threat of continuing labor troubles, eased the burden on the white collar and retired classes, and given industry an incentive to expand and provide more jobs. Instead, Mr. Ilsley only promises relatively grudging relief, and not until next year.

In tax revision as in reduction Mr. Ilsley has been too timid. He proposes to permit farmers and fishermen to average revenue over three years for income tax purposes. This is a sound move, but the principle might well have been extended to many other industries. There is some attempt to make co-operatives share in the national tax burden, but even Mr. Ilsley seems doubtful of its success.

This small progress, however, is completely overshadowed by failure to end the excess profits tax. There were grave doubts about the wisdom of this levy even in wartime. It is absolute folly to continue it now. It encourages waste and extravagance, it hampers vitally needed expansion of young, growing and small business and it is grossly unfair to those firms, which through no fault of their own, experienced abnormally low earnings during the base period of 1936-39.

Certainly not in a generation, let alone in one short year, can Canadians expect any great easing of taxes. We have fought an enormously expensive war and we must pay for it. But to do that it is imperative that we preserve and expand our productive economy and that we reduce government expenditures drastically.

In both these respects Mr. Ilsley's budget is lamentably weak. There is no concrete promise of government economy. There is too little encouragement for private enterprise to expand and provide new jobs and new sources of revenue.

Up to Provinces Now

The new federal-provincial proposals of Mr. Ilsley are as notable for what they omit as for what they offer.

Last April, in its final proposal, Ottawa made an offer which, if implemented, would have cost Canadians, as federal taxpayers, between $700 and $800 millions annually.

The provinces rejected this plan, or at least failed to agree to its terms. Now Ottawa has rejected the idea of over-all agreement; has thrown out also the entire social security, public investment and unemployment aid program. Instead the provinces are offered a specified, unconditional annual grant ($15 per capita in 1947) on condition that they abandon, for a five-year period, the personal, corporation and inheritance tax fields. (Before rejecting even such a modified "offer," the provinces are reminded by Ottawa that this is $73 millions a year more than they have been receiving under the wartime tax agreement, that they would have to raise $147 millions of taxes on their own, if they were to equal in 1947 the new federal proposal.)

Most taxpayers will shed no tears over the abandonment, at this time, of costly and contentious social security measures. It has been felt for some time that these were used largely as "bait".

But at least the issue is clear, namely, that each province is now free to decide, independently of any other, whether or not it wants to swap second-string income and inheritance tax privileges for a known and clearly stated price. In the last resort this is an issue which may have to be settled by taxpayers themselves, after they have had a taste of overlapping federal-provincial taxes.

One major defect in Ottawa's new offer is failure to make any mention of contentious provincial fields such as gasoline, amusement and pari-mutuel taxes. Ottawa sources interpret this as meaning that the federal government has no intention of giving them up. Surely this is not correct. Such an invasion of traditionally provincial territory would inflame tempers, already aroused, perpetuate double taxation and give color to the view that Ottawa will not vacate any tax field unless public pressure forces it to do so.

• • •

Mr. King's Denial

In the Commons last week Prime Minister King stated that The Financial Post report of American pressure on Canada to fortify its northern frontier was "wholly misleading" and contained "many inaccuracies," and that it was untrue that "the United States Government has presented a plan for northern air bases."

In a strict diplomatic sense Mr. King no doubt was correct in declaring that there had been no "ultimatum" by the United States in this connection, but The Post has good reason to believe that the substance of its report is correct, namely that pressure is being put on Canada either to fortify its Arctic frontier or to permit the United States to do so.

We believe that events which are moving rapidly will confirm the basic accuracy of The Post's report.

Shoppers, Shopkeepers Still Carry Excise Load

OTTAWA (Staff)—Canada's first peacetime budget brought no relief to consumers, retailers, distributors and manufacturers who paid last year $692 millions in 47 different federal excise taxes and duties.

Last year, under pressure from the price ceiling, Mr. Ilsley pruned back a number of these excise taxes to more reasonable postwar proportions. It had been generally expected he would continue the process in the present budget.

Many of these taxes are at wartime rates which look out of line today. Thus trunks, suitcases, purses, golf bags, smoking accessories, pipes, fountain pens, propelling pencils and desk accessories all carry a 35% tax. Toilet preparations and perfume, cigarette lighters, soft drinks and slot machines are still taxed at a 25% rate; chewing gum, candy and confectionery still get a 30% impost. These are in addition to the regular 8% sales tax.

It had been expected here that these very high wartime taxes would have been overhauled and streamlined last week in the budget speech. General expectation was that they would be put on a flat 10% basis which would have carried through for some time.

More than half the total excise tax revenue comes from sales tax of 8% which last year netted $212 millions to the Treasury. Actual collections were $326 millions, but refunds of $114 millions were debited against this gross amount.

For 1946-47, the Government expects to collect (net) from these same 47 taxes and duties no less than $704 millions, this is without any revenue from the former war exchange tax which brought in $41 millions in 1945-46. Sales tax revenue in 1946-47 is estimated (net) at $250 millions.

The only change in excise taxes last week was a reclassification of the old duty and tax on cigars. Purpose of the change was not to lighten the impost but to overcome the present graded rates which bore heavily on the present price structure.

Dominion Must Borrow Billion

OTTAWA (Staff) — according to the Government's own estimate, it will need to borrow about $1 billion to finance its requirements in the present fiscal year. Not all this would have to be borrowed publicly; part might be raised through deposit certificates with the banks.

Calculation of the estimate is as follows:

The Government has a deficit on ordinary account of $300 millions in 1946-47. Add to this $1 billion for new loans, credits, investments, etc. Add also an unknown sum to ensure "a fairly high cash balance at the end of the year"; subtract the amount of cash on hand at the end of March, 1946.

The Government books show close to $800 millions on hand last March. But part of this was in U. S. cash and therefore not available for domestic use.

Just how the Government will borrow its billion of needed cash will depend on two things: (a) The amount of money it can raise in October when it launches its new Canada savings bonds; (b) The date of the 1947 commercial loan operation.

There will be no overall limit on the sale of Canada savings bonds. The only ceiling is the amount which each individual may buy. Rough estimates here point to a possible sale of $200 to $250 millions of these securities in the fall. If the rate, term dealer and remuneration timing of the sale are fortunate, perhaps much more may be raised.

Foreign Subsidiaries of Canadian Companies May Be Required to Transfer Earnings Here

OTTAWA (Staff) — Permanent peacetime machinery for carrying on most of the present functions of the Foreign Exchange Control Board are contained in Bill 195, now before the House of Commons. The bill combines, and will replace, the provisions of the Exchange Fund Act of 1935 and also the Foreign Exchange Control order of 1939 which set up the FECB.

Broad purposes of the new bill are three in number:

1. To control and protect the value of the Canadian dollar in relation to foreign currencies;

2. To ensure that exchange resources are made available to meet the needs of Canada as a whole and used to promote and facilitate trade and other normal current transactions, and are not dissipated through disadvantageous exports of capital and for other nonessential purposes;

3. To provide machinery to assist in achieving orderly exchange arrangements and discharging Canada's obligations as a member of the International Monetary Fund.

Continue Exchange Account

First purpose of the new legislation will be to take over the Exchange Fund account, established in 1935, at the time of the profit on revaluation of gold. The profit was held as a reserve by the Bank of Canada "to aid in the control and protection of the external value of the Canadian monetary unit." No use was made of it until Sep. 15, 1939, when it was put at the credit of FECB as its initial resources.

The new bill continues this special account and authorizes investment of balances in the account in Dominion government or guaranteed securities, gold, dollar balances and U. S. government securities. It may also be invested in other foreign currencies and U. K. treasury bills.

Under the new Bill, the Finance Minister may make advances out of Consolidated Revenue in order to finance exchange holdings, over and above what can be done by original capital and reserves. It provides also that the net revenues of the exchange fund account, which in the past have been added to reserves, shall in future be paid into the consolidated fund at the end of each calendar year.

New Expense Basis

In respect of the FECB, the bill sets up a new board similar in powers and personnel to the old one authorized under the War Measures Act; the Governor of the Bank of Canada as chairman, the Deputy Minister of Finance, the Under-Secretary of State for External Affairs, Deputy Ministers of Trade and Commerce, Post Office, and National Revenue; all serving without remuneration. Bank of Canada is named technical adviser, agent and banker of the board.

Administration expenses (apart from remuneration payable to authorized dealers and services borne by the Bank of Canada) are to be voted annually by Parliament. In the past, all expenses were paid out of Exchange Fund Account.

Rates of exchange are now to be authorized by order-in-council. At present such rates are established by the board on instructions from the Minister of Finance.

The transactions subject to supervision and control by the Board are substantially the same as under the Foreign Exchange Control Order, the principal requirements being:

(a) Transactions in foreign exchange may be made only as permitted by the Board. All purchases and sales of exchange must be made through authorized dealers; and Canadian residents are required to sell to authorized dealers, all foreign exchange they receive.

(b) Transfers of Canadian dollars by residents to non-residents may be made only under permit.

(c) Sales, assignments or transfers of securities by residents to nonresidents may be made only under permit.

(d) Sales of securities in Canada by nonresidents may be made only under permit.

(e) Exports from and imports into Canada of goods, securities, currency and other property may, subject to such exemptions as may be prescribed by regulation, be made only under permit.

Under the present order, the board has power to require that any foreign securities owned by Canadian residents be sold to the Government. This power is not contained in the Bill but the board is authorized to require the transfer to Canada of the income or earnings of foreign subsidiaries or branches of Canadian companies or of other businesses abroad, which are owned or controlled in Canada.

Power to Make Regulations

The bill authorizes the board to make regulations prescribing currencies which may or may not be paid or accepted in connection with various transactions between residents and nonresidents, exempting transactions from any of the provisions of the Act, prescribing forms of applications and permits and generally, for carrying out the provisions of the Act.

The board is also authorized to grant and refuse permits, to determine residential status for the purposes of the act and, subject to an appeal to the Exchequer Court, to determine the fair value of property for the purpose of transactions

(Continued on page 2, col. 6)

Inside News

Whisky Still Scarce

Imported Scotch and matured rye whiskey are likely to continue in short supply for at least five years, despite recent increases in individual ration quotas in Ontario and other provinces. Gin and rum are more readily available in most parts of the Dominion. (p.3)

School Tax Headache

School's out for the summer; but the school problems of Quebec power companies are only beginning. A new education tax, which may slash 20% or more from net profits, contains many headaches in the form of ambiguities. (p.8)

UK Industry Handicapped

Incentive in British industry has to fight for survival against beaureaucratic Socialist regulation. "Britain wants production, not legislation" Lord Woolton sums the situation up. Chalmers' Diary. (p. 7.)

Why Traffic Deaths?

Canada's traffic death toll, already high, it is feared may become higher during the first full summer free from motoring restrictions. The Financial Post polls highway authorities, officials of motorists' and of safety organizations, and others, on the question: What are the chief causes of traffic fatalities, and what, the most effective remedy? (p. 12.)

Compton Income Up

Stock "switches" recommended by his investment manager, increase Compton's investment income $17.50 to a new high of $535.85 a year. A profit of $368.25 was realized on the sale of 25 shares of Consolidated Paper. Managed Investment. (p. 10.)

Office on Wings

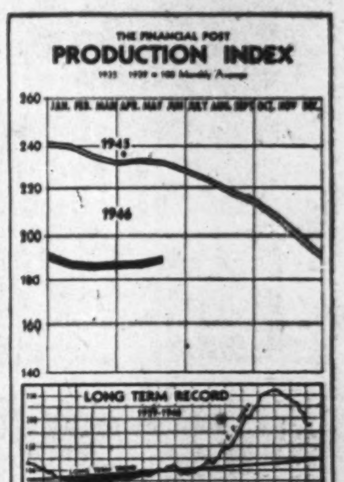
A U. S. plane built for war use has been purchased by Ford Motors and converted into an office on wings for Henry Ford II, with a conference room to accommodate eight persons. Current experiments with ultraviolet light projectors may make it possible to show motion pictures in fully lighted rooms. What's New in Business. (p. 9.)

Can Still Reconfederate

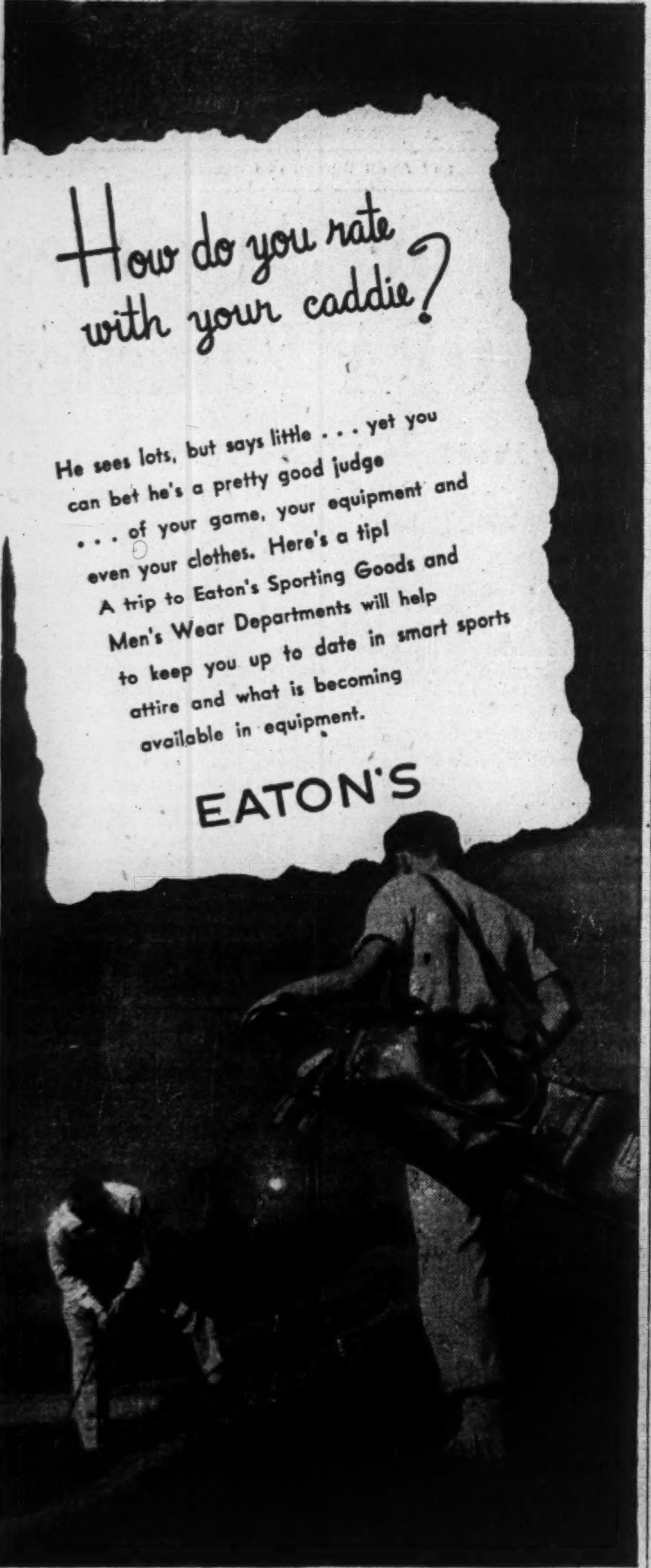
Prospects for a Dominion-Provincial agreement seemed slightly brighter this week, even though few, if any, provincial premiers welcomed Finance Minister Ilsley's "take it or leave it" budget offer. Saskatchewan's CCF Government, and British Columbia's Coalition, both won by-elections in which little was at stake. Provincial Roundup (p. 20.)

	Page
Banking News	15
Labor Roundup	8
Mine Development	18
Provincial Roundup	20
What's New In Business	9
You Asked Us	9

Pace of Business



For the third month in succession, The Financial Post index of production turned upward again in May, indicating that the two-year downtrend in production had come to an end, for the time being at least. Responsible for the gains in May were the automobile, metal and construction industries. Milling, meat packing and other food trades were somewhat lower, but cotton textiles, lumber and newsprint continued to lead new strength to the recovery in Canada's production.



Provinces Pay for Disagreement

(Continued from page 1)

ences of the 1945-46 type are almost certainly ended.

Having failed to reach agreement on an over-all offer to be agreed on by all provinces, Ottawa has now taken what the Federal Government clearly believes to be the only way out, namely to go ahead with its tax plans irrespective of whether or not individual provinces wish to co-operate. If individual provinces do wish to give the Federal Government exclusive right to collect personal, corporation and inheritance taxes in future, a price is attached which any province is free to accept or reject.

Here, in brief, is what the new Federal budget proposes, as compared with (a) present wartime agreements; (b) the final amended Federal offer at the conference last April; (c) Ontario's proposition of last April. The differences are quite striking:

Dollar Value of Present and Proposed Commitments

	Present War-time Tax Agreements $	Final Federal Offer (1947 basis) to Dom. Conference $	Last Ontario Proposal (1947 basis) $	Federal Take-it-or-Leave-it Budget Offer (1947 basis) $
(A) Subsidy and Tax Rental..	100,000,000	198,000,000	205,000,000	198,000,000
(B) Old Age & Blind Pensions ...	40,000,000	220,000,000	238,000,000* or 336,000,000*	40,000,000
(C) Health Insurance & Grants	....	165,000,000	not included	....
(D) Public Investment and Sundry Grants	....	150,000,000	7,000,000	....
(E) Unemployed Employables .	....	85% benefit, limited to 2 years continuous assistance	100% of cost	....
(F) Taxes Ottawa to Vacate ...	....	....	102,000,000	....
	$140,000,000	$733,000,000†	$552,000,000† or $650,000,000†	$238,000,000

†Exclusive of any estimate of cost or difference in eventual cost of unemployed employables. *Ontario scheme estimated to cost minimum of $17 no more than Federal plan if means test from 65 to 70; $115 millions more of no means test.

Essence of the new Federal offer is that in return for guaranteed unconditional annual payments of $15 per capita, a province would undertake for five years after termination of the present wartime agreements, to restrict their use of three fields of taxation as follows:

(a) The agreeing provinces would agree not to levy any taxes on **personal income** nor permit their municipalities to do so. There would, of course, be double taxation of personal incomes in provinces which did not enter into the agreement, but in order to help reduce the burdens of such duplication the Dominion would be willing to give a **tax credit** to the individual taxpayer of the amount of the tax he had to pay to the province, up to **5%** of the tax payable to the Dominion by such taxpayer.

Any increase in financial burden on the individual taxpayer would thus be avoided if the provincial tax did not exceed 5% of the Dominion tax. The provincial government would, of course, have to remain the sole judge as to the amount and nature of the tax it imposed on its own people, but obviously the inconvenience to the individual taxpayer involved in filling out two sets of income tax returns and calculating tax on two different bases would be decreased if the provincial tax were imposed as a fixed percentage of whatever tax might be payable to the Dominion by the individual taxpayer.

In order to be of assistance to that end, the Dominion would be willing to make extra copies of its forms available so that when filling out his Dominion tax return the taxpayer could merely make an additional copy and mail it with his cheque to the treasurer of his province.

Limit Corporation Tax

(b) An agreeing province would undertake to levy a **5% tax on net corporate income** within the province and would also agree on behalf of itself and its municipalities to impose no other corporation tax or tax on corporations except corporations engaged in mining or logging operations. For this purpose, a corporation tax would have the same meaning as under the existing agreements. The province would also agree to **discontinue the special 5% tax** mentioned, whenever all **provinces had made a tax agreement with the Dominion.** The 5% levy would be based on taxable income as defined in the Dominion income tax law, and allocation between provinces would be made on the basis of uniform rules worked out between the Dominion and the provinces making an agreement.

Any province not signing the agreement could levy any taxes it pleased on its corporations, but any such taxes defined as corporation taxes or income taxes under the existing agreements, other than taxes on corporations engaged in mining and logging operations, would not be regarded as a deductible expense for the purpose of calculating taxable income under Dominion tax laws.

Regulate Succession Duties

(c) For the duration of the agreement, also, an agreeing province would **either undertake not to levy succession duties at all or,** if it wished to continue to do so, it would **agree to accept an appropriate reduction in its annual payments due from the Dominion.** In the latter case, succession duty amounts payable to the province would be treated by the Dominion as a **credit against amounts due** under the Dominion succession duty but the **credit would be limited to one half the succession duties** payable to the Dominion.

Meet "Special Situation"

The $15 per capita unconditional grant would include present statutory subsidies. Actual payments in any year would be equal to "the guaranteed minimum ($15), increased in proportion to increases both in population and in per capita gross national production. Payments would be based on the average of payments as determined separately for each of the preceding three years. To meet a special situation (British Columbia) it is provided that in no case will the Federal payment be less than 150% of a province's annual receipts under the Wartime Tax Agreement. To meet another situation (P.E.I.) it is provided that no payment shall be less than $2 millions.

All provinces would be free to tax profits from mining and logging operations and any such taxes would be treated as a deductible expense for Dominion tax purposes. In the case of companies whose main business is generating for distribution to the public or distributing to the public electrical energy, gas and steam, the Dominion would pay to the provinces concerned one half the Dominion's net corporation income tax collections from such companies in respect to such business. This payment to a provincial government would be reduced by an amount equal to any taxes which the Government of that province levied on such companies.

In his budget speech Mr. Ilsley appended the following table to show the amount of revenue which individual provinces would have to raise by their own tax devices in the event of nonacceptance of the offer and assuming that the province wanted to raise as much revenue as is contained in the proposed Federal grant:

	millions
P.E.I.	$ 1.2
N.S.	7.4
N.B.	5.5
Que.	46.6
Ont.	49.2
Man.	9.5
Sask.	11.3
Alta.	10.9
B.C.	15.8
	$157.4

Price Boosts or More Subsidies

(Continued from page 1)

price ceilings on this item for a month . . . or until the Americans reimposed their price ceiling . . . oranges had to duck under a Canadian ceiling to enter this country. The same is happening now but if prices rise very soon in the United States, some subsidy in Canada may be necessary.

In fats and oils, world prices have been rising at an alarming rate in recent months. If we continue to import considerable needed items from the United States, all these items which are now under subsidy would cost taxpayers a great deal more.

Over-all, it is estimated that 1946-47 subsidy bills for Canadian price control will run pretty close to the $100 millions figure of last year. It had been hoped last March to cut these to $90 millions and, with milk subsidy out, to effect a saving of a further $15 millions. Now rising subsidies are swelling the bill again.

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Toronto

EXECUTIVE AVAILABLE

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Peanuts 'n popcorn 'n... Have a Coke

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Everybody loves a circus. Everybody comes for fun. From big city to small town it's a red letter day—a day when everyone wears a smile and joins in with friendly good nature and neighbourliness. *Have a Coke* are words heard all around, for the circus is the time to relax and enjoy yourself. And nothing was ever invented to help you do just that better than ice-cold Coca-Cola. Enjoy one now.

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Foreign Firms To Feel Ruling

(Continued from page 1)

to which the act applies. An appeal lies to the Minister of Finance from any acts or decisions of the Board in any case where no appeal to a Court is provided.

The Board is required to submit a detailed annual report of its operations to the Minister of Finance, to be tabled in Parliament.

Enforcement Provisions

The Board is authorized to appoint inspectors to assist in the enforcement of the act and the Board or its inspectors may conduct enquiries or investigations for this purpose. The Bill specifies that the provisions of the Canada Evidence Act (with the exception of certain provisions relating to the compellability of banks to give evidence or produce records) shall apply to such enquiries or investigations.

(At present, information obtained on enquiries under the Foreign Exchange Control Order is not privileged and may be used in evidence against the person concerned).

Maximum penalty for offences relating to property is a fine of twice the value of the property involved and imprisonment for five years. At present, the maximum penalty under the Foreign Exchange Control Order is a fine of $5,000 and imprisonment for five years.

Gold and Exchange Reserves

The Bank of Canada Act requires the Bank to maintain a reserve against its note and deposit liabilities (gold to the extent of at least 25% and in addition, possibly silver bullion and foreign exchange).

In order to mobilize all Canada's exchange resources in the hands of the Board, the Exchange Fund Order (P.C. 1734 of April 30, 1940) required the Bank to sell its gold to the Board and suspended the reserve requirements under the Bank of Canada Act. The Bill continues this suspension.

Announcing

Important Appointments in Canadian Industry, Finance, Business and Government.

Chartered Institutes of Secretaries (Toronto Branch)—Rev. H. J. Cody, president; H. G. Soward, chairman; J. H. Domelle, vice-chairman; C. B. Bell, secretary.

Canadian Industrial Alcohol Co.—H. E. Harmon, comptroller.

Carrier Engineering Ltd. (Toronto)—Chas. F. Hill, president.

Canadian Federation of Mayors—Garnet Coulter, Winnipeg, president; R. T. Forbes, Fredericton, Lucien Borne, Quebec, Sam Lawrence, Hamilton, A. W. Shackleford, Lethbridge, vice-presidents.

Canadian Advertising & Sales Federation—Moray Sinclair, Toronto, president; Don. E. Laws, Vancouver, E. Freel, Hamilton, presidents; J. E. Cooper, secretary.

Drug Trading Co.—John C. Gould, vice-president.

Ditto of Canada Ltd.—K. M. Henderson, president; L. A. Watkins, vice-president; B. Miller Wright Jr., secretary-treasurer.

Dominion Rubber Co. (Kitchener, Ont.)—J. A. Lucas, general sales manager; R. D. Ratz, production manager; J. W. Symons, factory manager; G. P. Davis, divisional sales manager; G. P. Davis, sales supervisor, Provincial Tire Co., Toronto.

Frederick Stearns & Co. of Canada (Windsor, Ont.)—Leonard Pfister, general sales manager.

Grafton & Co. (Dundas, Ont.)—Stewart Philp, president; Grafton Philp, vice-president.

Huron Forest Products Ltd. —Hugh MacKay, president; J. S. Tory, vice-president.

Hunts Ltd. (Toronto)—R. H. Hergert, general manager; F. M. Woolnough, general sales and advertising manager.

Howard Smith Paper Mills Ltd.—A. E. H. Fair, a director.

Imperial Oil, Ltd.—L. Donald Fraser, assistant secretary.

Institute of Chartered Accountants of Ontario—H. P. Herington, president, K. L. Carter, J. G. Glassco, vice-presidents; H. O. Glover, secretary-treasurer.

Provincial Transport Co. (Montreal)—W. C. J. Meredith, a director.

S. R. Mackeller & Co. (Toronto)—Major N. H. MacMillan, in charge of industrial trading dept.

Mutual Life of Canada—A. R. Birk, assistant manager, Vancouver investment department.

Minnesota & Ontario Paper Co. (Minneapolis)—Daniel F. Bull, a director.

Mercury Mills, Ltd. (Hamilton)—James A. Roberts, D. A. Page, assistant general managers.

Nuclear Ltd. (Montreal)—George Nicol, T. A. Maxwell, directors.

Ontario Wholesale Fish Merchants' Association—R. E. Matthews, president; Gordon Smallacombes, secretary-treasurer.

Seeley Systems Corp. (Toronto)—H. T. Levis, branch manager, Calgary.

Sun Life Assurance Co. og Canada—George W. Bourke, managing director and director.

War Assets Corp.—L. W. Moulden, sales manager, Winnipeg; A. F. Armstead, assistant director of regional sales, Montreal; T. P. Sutton, supervisor, Quebec, Maritimes and Newfoundland; V. H. Hopper, supervisor Ontario and Western Canada; Wishart F. Spence, enforcement administrator.

Classified ADVERTISEMENTS

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad. 13 words. Add six words when box number is required. When replies are to be mailed to advertiser, add 10c. Classified ads. payable in advance. Contract rates on application.

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DIVIDEND NOTICES

THE DOMINION BANK

DIVIDEND NO. 255

Notice is hereby given that a dividend of two and one-half per cent (twenty-five cents per share) upon the paid up capital stock of this Bank has been declared for the quarter ending 31st July, 1946. The dividend will be payable at the Head Office of the Bank and its Branches on and after Thursday, the first day of August, 1946, to shareholders of record of the 15th July, 1946.

By Order of the Board.

ROBERT RAE,
General Manager.

Toronto, 13th June, 1946.

THE CANADIAN BANK OF COMMERCE

DIVIDEND NO. 238

NOTICE is hereby given that a DIVIDEND OF TWENTY CENTS per share on the paid-up Capital Stock of this Bank has been declared for the quarter ending 31st July 1946 and that the same will be payable at the Bank and its Branches on and after THURSDAY, the FIRST day of AUGUST next, to Shareholders of record at the close of business on 29th June 1946. The Transfer Books will not be closed.

By Order of the Board.

S. M. WEDD,
General Manager.

Toronto, 7th June 1946.

PENMANS LIMITED

Dividend Notice

NOTICE is hereby given that the following Dividends have been declared for the quarter ending the 31st day of July, 1946.

On the Preferred Stock, one and one-half per cent (1½%), payable on the 1st day of August to Shareholders of record of the 2nd day of July, 1946.

On the Common Stock, seventy-five cents (75c) per share, payable on the 15th day of August to Shareholders of record of the 15th day of July, 1946.

By Order of the Board.

C. B. ROBINSON,
Secretary-Treasurer.

Montreal, June 20, 1946.

EXECUTIVE ASSISTANT

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THE FINANCIAL POST, TORONTO.

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REGULAR FEATURES

July 6, 1946

Announcing . ..	2	Concent. . 18,	19
Banking	15	Oils	18
Chalmers' Diary	7	Post Scripts . .	6
Dividends . . .	17	Prov. Roundup	20
Investments . .	4	Record Finance	5
Insurance . . .	15	Quotations . . .	16
Managed Invest.	10	The Question .	12
Mkt. C'ment . .	17	What's New . .	9
Mines . . . 18,	19		

MINES AND OILS

Adele Malartic	19	Halden R. Lake	18
Aufron	19	Headway R. L.	18
Bagamac	19	Int. Uranium .	18
Bankfield Cons.	19	Kenridge	10
Bradnor Malar.	19	Kirkland Lake .	19
Buffadison . .	19	Lake Fortune .	10
Canagau	19	Lauder R. Lake	10
Centremaque .	19	Lavalie	18
Cheskirk . . .	19	Marion Rouyn .	15
Chibou-Wica .	19	McKenzie R. L.	13
Courageous . .	19	Naybob (1945) .	10
Garthack . . .	15	Pascalis	15
Goldora	18	Sturgeon River	8
Gold City Porc.	9	Taku River . . .	18

INVESTMENTS

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Can. Crush. St.	15	Photo Engrav. .	4
Can. St'ships .	9	Stand. Chem. 4,	15
Cdn. West. Lum.	4	United Fuel . . .	15
Comm. Alcohols	8	Walker-G'rham	4
Dom. Stores . .	4	Distillers Corp.	8
Goodyear	4	Hydro-Quebec .	4
Hiram Walker .	9	Mexican Light .	8
Moirs Ltd. . . .	15		

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University graduates, preferably with post-graduate study in statistical methods; ability to direct the work of others in research work.

Full particulars on posters in Post Offices, National Employment Service Offices and Civil Service Commission Offices throughout Canada. Application forms, obtainable thereat, should be filed not later than July 11, 1946, with the

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The Store for Men— Second Floor.

You'll Take More of Your Pay Home Next Year

Budget Kinder to Worker But Not if Wife Works

More than half a million Canadians will find their income tax bills noticeably lighter when they file returns for 1947, but the amount of tax relief in many families is going to depend on who earns the money.

By raising exemptions to $750 for single persons and $1,500 for those claiming married status, Finance Minister Ilsley has provided substantial tax relief for some 600,000 wage earners and reduced government revenue from this source by more than $130 millions.

However, working couples will find their joint incomes hit harder than in the past.

Under the new income tax regulations a husband will no longer be able to claim married status for income tax if his wife has an income of her own exceeding $750, even if it comes from wages or salary. Each will now be classed as a single person for tax purposes.

In 1942 to encourage married women to take employment in wartime, the law was amended to allow a husband to retain married man's status for income tax, provided his wife's income came from earnings, even though it exceeded the statutory exemption of $660. Men whose wife's income exceeded $660 from investments however continued to be classed as single.

Where the Catch Comes

Now the pre-1942 situation is restored. It makes no difference whether the wife's income is from earnings or investments. If it exceeds $750 both husband and wife are classed as single.

But that's not all. If a wife has an income—from any source—exceeding $250 but less than $750, her husband is still classed as a married man, but must reduce his $1,500 exemption by the amount by which the wife's income exceeds $250.

Here's how it works. Suppose a man has a salary of $3,000 while his wife has an income of her own of $400 a year. It doesn't matter whether it's from investments or earnings. When making up his tax return the man would normally under the new regulations claim an exemption of $1,500. But because his wife's income exceeds $250 by $150 he must deduct the $150 from the $1,500 making his exempted income $1,250. As the wife's income increases, the husband's exemption goes down until his wife's income reaches $750 when the husband's exemption likewise is $750—the exemption allowed a single man.

Meanwhile the exemption of investment income from surtax is increased from $1,500 a year to $1,800. There has been complaint that a $1,500 exemption on investment income was too low in cases where the investments had been derived from savings during the taxpayer's lifetime.

Taxpayers who are resident in Canada for only part of the year will now, subject to departmental interpretation of the new act, be liable to the Canadian authorities only for a part of their total tax, proportionate to the part of the taxation year they resided in Canada.

Thus, suppose a person who lived five months outside Canada and seven months in Canada was liable for total income tax of $720, he would be liable for seven-twelfths of $720 or $420 to the Canadian tax authorities. Formerly he would have been liable for the full $720 but would have been able to deduct from it an amount equal to any tax he might pay in another country.

Provincial Tax Deductible

Looking forward to the possibility of the provinces again levying income taxes, the Dominion now proposes that after Jan. 1, 1947, an individual taxpayer may deduct from the tax due to the Dominion, income taxes paid to any province up to 5% of the total Dominion tax. Before 1941 when the provinces vacated the income tax field to the Dominion for the war period, the Ontario tax rate began at 1½% on the first $1,000 of taxable income rising to a maximum of 28%. If the former rates were restored on provincial taxes, the 5% reduction would prevent double taxes being levied on all incomes on which the provincial tax does not exceed 5% of the Dominion tax.

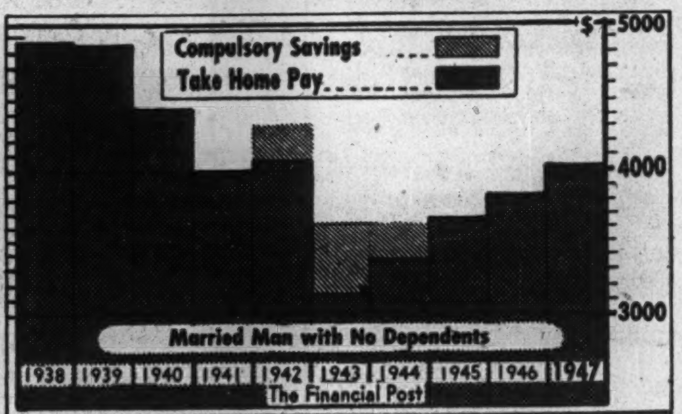
Family Allowances

In his budget speech, Mr. Ilsley also stated that hereafter all fathers of dependent children would be required to apply for family allowances and would then be entitled to an exemption of $100 income on account of each such child. For other dependents not entitled to family allowances, a deduction from income of $300 would be allowed. The value of the $100 deduction from income on account of each dependent, plus family allowances he claimed would exceed the equivalent of the $300 deduction from income, for nearly all taxpayers, particularly in the lower brackets.

Here's how it would work out. Take a man with an income of $2,000 and two small children drawing family allowances say of $6 a month. His income tax would be calculated by taking $2,000 less married man's exemption of $1,500, leaving $500. From this deduct $100 for each child leaving taxable income of $300. Income tax on the first $250 would be $55 plus 25% on the next $50, a total tax of $67.50. His income after deducting $68 tax would be $1,932 to which is added family allowance of $144 for the two children, a total of $2,076.

The man who has two dependents for which he gets an exemption of $300 each, total $600, would have no income tax to pay because he would get exemptions of $1,500 plus $600. But he gets no family allowance so his total income remains at $2,000, $76 less than the other.

How much is left out of $5,000? In 1947 it will be $4,027



In 1947, the married person with $5,000 income and no children will be able to retain more than $4,000 of his earnings for the first time since 1941. (Note that the chart shows higher take-home pay for 1942, but this was due to "forgiveness" of half a year's tax at the time Canada shifted to pay-as-you-earn taxation. This reduced the liability for the year, but the increase in tax deductions at the source actually meant less take-home pay than in 1941.)

Labor Is Great Concern For Brazilian, Says Gow

Gross earnings in 1946 of Brazilian Traction Light & Power Co. are still increasing Col. Walter Gow, chairman, told the annual meeting. The operating ratio appears for the moment to be more or less stabilized at a figure considerably higher than a year ago, but still not so high as to prevent net earnings approximating the results of a year ago. While this is no small achievement, it is impossible to say how long this situation will continue, Col. Gow stated.

"The net effect of wage increases and bonuses granted during 1945 was to increase our payroll at the end of 1944 by 60%, an impossible burden for our companies to carry, had it not been alleviated to some extent by the 10% increase in rates authorized in May, 1945," Col. Gow stated. "This increase absorbed about half of the burden of increased wage rates for 1945 and should have had a slightly better effect in 1946 if the wage structure had remained stable."

The Government has agreed in principle, subject to confirmation by its accountants of the facts as given by the companies, that these tariff increases will be allowed as of Jan. 1, 1947. Wage increases, effective June 1, 1946, will amount to approximately $6 millions a year.

Col. Gow also referred to two recent Brazilian decree-laws which have an important effect on the general financial picture. Decree 9025 of Feb. 27, 1946, gave a slight betterment in the remittance rate, but limited profits remitted abroad from Brazil to 8% annually on so-called "registered capital" employed in the country with provision for remittance of any excess in equal installments over the ensuing four years. Due to the relatively low return on invested capital of utility companies, this will not hamper the company, especially as it is spending important amounts on capital account in Brazil, Col. Gow pointed out.

Decree-law No. 9159 of April 10, 1946, revised the Brazilian Excess Profits Tax Act and specified as "excess" profits all earned over profits in certain basic years or alternatively, over a certain percentage of the capital "effectively employed in the operation of the business." The company does not anticipate any serious burden from the new tax. Later, in reply to a question, Col Gow said it was felt that the tax would only apply to one of the operating companies and then only slightly.

Golds Fearful CIO Demands Mean Shutdown

(Continued from page 1)

pears to be that the demands will be fought to the utmost. That is the only way managements can see, of saving the large scale of production needed in a medium-grade camp.

In Kirkland Lake, indications suggest that, if necessary, producers throughout the entire camp would close down rather than submit to conditions under which economic mining cannot continue. As one mine manager expressed it: "We have no mandate from our shareholders to use up the valuable ore reserves we have been able to build up over the years, simply to 'trade dollars' with no advantage to the company."

Another mine manager, in the same camp stated that a number of smaller shareholders in his company had wished to close the mine down during the war because ore was being used up with little to show by way of profit. If impossible union demands should make profitable mining impossible, no alternative was seen but to close down.

No Sign of Reconsidering

What is the temper of the union with respect to its demands? Will it resort to a strike? Will the mines have to close?

While the CIO is fairly firmly entrenched in Porcupine, written contracts are actually held for only three of the seven Kirkland Lake mines—Lake Shore, Macassa and Kirkland Lake. The agreement covering Kirkland Lake Gold Mining Co. expired in January and a conciliation board has yet to hand down its recommendations regarding differences between the management and the union. That is the Kirkland Lake focal point at the moment.

Although supply costs are already up 11% and gold mines are not receiving anything more for their gold, there is no real indication as yet that the union is prepared to reconsider its demands on the basis of ability to pay.

"We favor the mine wage stabilization program," announces a sticker posted at the entrance of more than one Kirkland Lake place of business .What the attitude would be if the probable results of the "stabilization program" were better known is difficult to say. It is not surprising that more than one gold mine manager has come to the conclusion that now is the time to talk, and to talk frankly.

Tax Mutual Insurance Firms But Dividends Are Deductible

Finance Minister Ilsley in his new budget has implemented the recommendations of the McDougall Commission on taxation of co-operatives as regards mutual fire, casualty and automobile insurance companies. These companies are now to be subject to income tax for 1947 but are allowed to deduct dividends or refunds to policyholders before computing tax.

These dividends or refunds will be deductible whether paid in cash, applied against renewal premiums or left with the company at the credit of the policyholder.

To avoid discrimination, the government has also decided that joint stock fire, casualty and automobile insurance companies should also be allowed to deduct dividends paid or refunds of premiums to policyholders in computing their tax. Insurance organizations deriving their income from insuring churches and schools will continue tax exempt; so also will Credit Unions, in accordance with the McDougall Commission report. Mr. Ilsley notes that they derive their income primarily from loans to members.

LONDON CALLING — *By Adelphi*

Travellers Find Europe Hungry, Not Starving

LONDON — Things are looking up. Our exports are expanding and we have just defeated the Indians at Lords in a test match. In these days the British have to extract comfort where they can. Our girls did not win a match against the American girls at Wimbledon; the French horses won all the long distance races at Ascot, but at least we beat the Indians.

The stock market has, temporarily perhaps, lost its exuberance. Even although we have no power to send funds abroad, the influence of Wall Street is still felt here. When Wall Street sags, Throgmorton Street does not feel very well. The declines here are not large but they are enough to indicate that the long upward climb is at an end for some time.

• • •

Europe is Hungry But Not Starving

But the one thing which agitates the public mind is whether Europe is really starving and if it is necessary to take food from John Bull's meagre store. Travellers to Europe can usually see what they want to see. That there is widespread malnutrition in Europe is evident but that there is famine is unlikely. As in every other part of the world, the farmers on the continent never lack food for themselves and their families; but the problem of the towns is to supply enough calories for the workers to keep up the output in the factories. Careful and unbiased reports show that in Germany there is a fatigue point about 3 p.m. which is causing a steady decline in production and will, in time, bring sickness and a lowering of health standards which might develop into epidemics.

The subject of food is never out of the British mind or the British newspapers. Housewives are forming leagues to vent their protests and no one can blame them. The women of this country are tired and weary. If there was even a suggestion of summer it would not be so bad but since April there has been only an occasional half hour of sunshine. This plays a bigger part in the morale of the people than you in Canada, with all your wealth of sunshine, can easily understand. I know that even in Toronto the climate is not always beyond reproach but when it comes to leaden skies and oozing rain you are a long way behind Britain. It is one championship which no country can take from us.

• • •

Big Four Discussions 'Blasted Farce' — Bevin

Over in Paris the Big Four have reached a point in their discussions which is grimly humorous. M. Molotov, after blocking every subject that came up, finally suggested that they should discuss Rumania. I am creditably informed that Mr. Bevin then uttered these immortal words "I don't care a hoot in hell what we discuss. The whole thing has become a blasted farce."

Of course this may be an exaggeration, but that is the story that is going the rounds. Later on Mr. Bevin said "I suppose it would cause the greatest perturbation if we settled the Dodecanese question." Bevin's popularity is a bright spot in the troubled life of His Majesty's Government. Yet there is one minister whose parliamentary reputation is rising more rapidly than any other. I refer to Hugh Dalton, the Chancellor of the Exchequer. Whether he is right or wrong in his financial policy, he has established a complete ascendancy over the House. He was a lecturer on economics in London University and his grasp of detail is quite remarkable. Oddly enough, he made no impression when he was President of the Board of Trade in the war but as the Chancellor of the Exchequer he is coherent, constructive and absolutely sure of himself.

He has a booming voice which carries to the farthest rafters and has the priceless gift of great physical endurance. This week he sat on the bench for most of a debate that lasted 19 hours and he was still fresh when others had fallen asleep or given up the struggle altogether.

If for any reason there had to be a successor to Mr. Attlee, there would be a strong move to appoint Dalton. Herbert Morrison has lost popularity owing to the disability of being Leader of the House and therefore the chief disciplinarian of his party. Bevin is very highly regarded but is now so immersed in foreign affairs that he is losing touch with domestic issues.

Six-page Dailies Just Around Corner

It is expected that by October there will be sufficient increase in newsprint to permit the dailies to have six instead of four pages. Every newspaper is hopelessly overstaffed and real enterprise is at a standstill. There is talk of a new Labor evening newspaper which should do well. I recently saw the weekly editions of the Toronto Star and the Montreal Herald, which seemed like something from another world. There is the same impression of lavishness in The Financial Post and Maclean's Magazine. It must be exciting to live in North America these days.

I am aware that once more I have painted a drab picture of life in the United Kingdom but it is impossible to be anchored off Europe and not take on something of the problems and psychology of that shadowed continent.

• • •

When Anthony Eden returns from Canada his political future may be decided. Despite rumors and prophecies, Churchill holds tight to the Conservative leadership and shows no intention of retiring. It is said that Eden is weary of waiting in the king's ante-chamber. In the meantime the Liberals, coming to the surface for the third time, swear that they will contest every seat at the next election. There have been many approaches from the Tories for an understanding or even a marriage of convenience but the Liberals believe that the nation will turn to them next time.

Well, this is the picture of England in the closing days of June, 1946. But don't forget that we beat the Indians at cricket.

JACK: Say Bill, have I got a "headache"! I've got five letters in Spanish from potential customers in South America and I don't know a word of the language. Tell me how do you cope with this sort of thing?

BILL: *That's the least of my problems, I use the Translation Department of my forwarding agents, Canadian-European Forwarders Limited. They do a most efficient Job and the charges are reasonable.*

JACK: Well that's really going to be a tremendous help to me, but there's another angle, my agents have asked me for a Spanish text catalogue of our lines, how can I go about getting it?

BILL: *Give the job to Canadian-European Forwarders Limited, they'll do it for you. In fact, ANY problems you have in connection with Central or South American trade, ALWAYS consult them. Our Latin-American business is a real pleasure since we've used their services.*

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Government, Municipal and Corporation Securities

Whittle New U.K. Wheat Contract To 125 Million Bushels, Forecast

OTTAWA (Staff)—Now that Hon. James Gardiner has returned from western Canada, some picking-up of the broken pieces of Canada's much-touted five year wheat contract is expected.

Mr. Gardiner had fully expected to announce his long-term wheat contract when he made a public address in the West on June 21. Britain's Food Minister John Strachey had expected to talk about it when he held a press conference here last week. The story here is that Mr. Strachey thought Canada had made an offer and that he had accepted it with British Cabinet approval. But when he reached Ottawa to discuss it publicly, he found the Canadian Cabinet had not approved the contract and that the deal was all off.

Now the probabilities point to a much diluted agreement with Britain lasting only one or two years and for not more than 125 million bushels. Such an agreement would almost certainly be accompanied by a higher price to Britain and possibly a new and higher floor price to Canadian farmers. If there is to be no long-term contract of the type Mr. Gardiner originally proposed to Britain, then a price to the U. K. of $1.75 or even $1.85 a bushel is not improbable. The adjustment of the present floor of $1 upwards to $1.25 would not be part of the contract but would in all probability be part of the Government's proposals to its own farmers.

The original Canadian proposition last January was for 180 million bushels. This was later reduced to 150 million when Wheat Board officials objected that the former figure was out of line with Canadian production and British domestic needs. A figure of not more than 125 million bushels is now said under discussion

This question of British demand was aired last week at a press conference held here by Food Minister John Strachey. He estimated pre-war British demand for wheat and flour at 205 million bushels annually. Canada's share in this market was given for 1933-38, as only 83 million bushels. (During this period Canada's wheat crops were abnormally low due to the great drought.) These figures were meant to show that Canada was by no means the exclusive supplier of Britain. By inference, they also showed that 150 million bushels under firm contract from Canada would be far in excess of U. K. pre-war imports from this country.

Another argument raised here is that a big contract of the type earlier proposed by Canada, would divert a large share of British dollar credits, which might otherwise be used for purchase of many other items which Canada is anxious to export. The new contract is expected to be a short-term one. But renewable from year to year. If this occurs, the Canadian Government would doubtless raise the "floor" on western wheat prices and probably the present $1.55 ceiling.

This ceiling is now generally agreed to have "cost" the Canadian wheat farmer about $200 millions, the difference between the $1.55 export ceiling and the apparent level of "world" prices. It was in lieu of this "loss" that the Canadian wheat farmer was to be offered the long-term U. K. contract.

As Mr. Strachey made clear in Ottawa last week, it was Canada, not Britain which took the initiative in suggesting this long-term pact. Britain, in fact, has been reluctant to make a deal on the terms proposed by Agriculture Minister Gardiner. She has balked at any firm agreement past two years. But such a contract, for Canada, would merely freeze the wheat ceiling on U. K. exports at $1.55 during the period of assured high prices and leave the deal wide open at a time when buyers, rather than sellers, may again be expected to have the upper hand.

Rye and Whisky to be Scarce For Two Years—Distillers

Doubling of Ontario's liquor quota won't see more Scotch whisky and rye coming to market but it will likely see present small supplies stretched further, distillery officials inform The Financial Post.

In making more gin and rum available—both of which are in much-improved supply—Ontario is following the lead of other provinces. Rum from West Indian and Central American countries has been coming in in increasing quantities as shipping conditions improve. Lately increasing supplies of domestic gin which needs no aging, have been made available to liquor control outlets.

The whisky picture is no better than last year and from present indications supply will remain tight for at least two more years, officials say. Regardless of the raw material situation, which won't likely get worse, and which largely [illegible] inventory policy to any year, matured ryes for consumption in years 1948-51 inclusive will be scarce owing to wartime distilling restrictions, and necessary aging period. Hope for relief from imported Scotch whisky is small since production in the British Isles is curently running about 30% of pre-war. It will likely be five years before sizeable supplies of Scotch whiskey are available again in this country, officials say.

The belief held in some quarters that a considerable stockpile of liquor is being built up in Ontario pending opening of cocktail lounges and other new liquor outlets, is entirely erroneous Liquor Control Commission and distillery officials inform The Post.

With the exception of Scotch whisky, Quebec is fast approaching the status of a no-ration province. Recent sizeable increases have been introduced into the three Prairie Provinces and British Columbia.

Ex-Legislator Wins Tax Fight After Losing It

OTTAWA (Staff) — James Caven Mahaffey, Calgary, lost his income tax appeal before the Supreme Court of Canada but he has now won his point.

Among last week's budget resolutions was one which, to use Rt. Hon. J. L. Ilsley's words, "will provide that where an elected member of a provincial legislature is paid an allowance for expenses incidental to the discharge of his duties, the allowance will be deemed not to be taxable income to the extent of not more than one third of the aggregate of his normal sessional indemnity and the expense allowance."

This was the very point which Mr. Mahaffey, former Member of the Alberta Legislature took to the courts and lost. Now all provincial members may be thankful that Mr. Mahaffey struggled so hard—even though he himself is no longer a member.

Marine Services Ltd. To Aid Export Trade

In Marine Services Ltd., another name is added to the list of foreign trade "expediters" in operation in Canada. These companies are formed to aid exporters and importers. Marine Services Ltd. is prepared to pay the manufacturer when merchandise for export leaves his plant and gives advice on packing to ensure minimum cost safety of goods, etc. All necessary documents are prepared for the manufacturer. Idriz Griffiths is general manager.

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Sealed tenders for the purchase of the above business including plant, equipment and real estate, as a going concern will be received by the undersigned until twelve o'clock noon Daylight Saving Time, on the 15th of July, 1946. Tenders must be accompanied by a certified cheque payable to the undersigned, executor, for 25 per cent of the purchase price, the balance on completion of sale.

PARTICULARS OF REAL ESTATE

158 Queen Street West, Ottawa, Ont., is occupied by the plant and Boiler Works, the size of land is 66' x 99' more or less, one storey high with a raised section in centre to provide light, brick construction.

90 Sherwood Street, Ottawa, Ont., form part of the Boiler Works, size of land—49' 6" x 66' more or less, is also one storey brick construction.

160 Queen Street West, Ottawa, Ont., is at present rented as a warehouse, two storeys cement block construction. Size 66' 6" x 100' more or less.

135-137 Broad Street, Ottawa, Ont., occupied as storage, brick construction. Size 33' x 99' more or less.

139-145 Broad Street, Ottawa, Ont., premises are leased as five flats and two houses, brick veneer—size of land 66' x 99' more or less.

PARTICULARS OF PLANT

Equipment consists of three Power Punch 48"-26"-24", Rotary Shear 36", two Sheet Steel Roller, Radial Drill machine, 50 h.p. Electric Motor, Air Compressor, Power Hammer, 3 Portable Electric Welding Machines, 1 Engine Lathe, 2 Power Hack Saw, Vertical Drilling Machine, Splitting Power Shear, 7 Travelling Cranes 2-8-10-15 ton, Beam Shear, Scale 25 ton, Treading Machine Bull Lathe, 1941 ½ ton Ford Truck, miscellaneous machinery and stock-in-trade. The highest or any tender not necessarily accepted.

Any further information may be obtained from the undersigned.

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GOODYEAR TIRE & RUBBER CO. new issue of $5.5 million 4% cumulative preferred shares, par $50, is being offered at $52.50 a share to yield about 3.81%, by A. E. Ames & Co., Dominion Securities Corp. and Nesbitt, Thomson & Co. By arrangement with the company, holders of the outstanding 5% preferred shares are being given the prior right to purchase on or before July 16, 1946 the new 4% preferred up to the amount of their holdings of 5% preferred. Proceeds of the 4% preferred are to reimburse the company for redeeming the 5% preferred which has been called for redemption on July 31, 1946 at $52.50 plus 21¼ cents accrued dividend a share.

DOMINION STORES LTD. has advised the Montreal Stock Exchange that under the May 9 agreement providing for sale by the company to certain company officials of shares over a five-year period, the officials have taken up and paid for an additional 4,000 shares.

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A copy will be furnished on request
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The advantage of having shares listed is that definite market values of stock have been established for succession duty purposes; and the tax dangers inherent in a large earned surplus are substantially reduced.

We have had wide experience in advising owners of private corporations how best to distribute their securities amongst the public, and will gladly share this experience with you. Each situation presents a different problem. Your confidential inquiry is invited.

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INVESTMENTS THIS WEEK

Earnings Uncertainties Unsettling the Markets

Although both intermediate and long term market trends are pointing upward, according to Dow theorists, two major factors, outside of the usual summer sluggishness, have caused uncertainty in Canadian investors' minds. They are the Canadian budget and the fate of OPA in the United States.

At home, the news in the budget has proved disappointing. Quite unexpectedly the excess profits tax was left in force. The tax relief given will not be effective until Jan. 1, 1947, instead of immediately. (See story page 5). This, investors fear, may affect earnings adversely by causing a slowing up of production once firms earn their standard profit and particularly toward the end of the year in order to take advantage of 1947 tax reductions.

Even more significant to earnings may be the fate of price ceilings in the United States. Unless control is continued there, prices may rocket skyward, it is feared. Canadian firms would then be faced with substantially higher prices for component parts imported from the United States. This would cut into profit margins unless Canada either raised price ceilings or subsidized the imports.

Earnings of many companies are thought to have already been affected by the disruption causesd by strikes. Few quarterly reports are issued by Canadian firms. However, a drop of 37.5% was reported in the first quarter net income of 475 U. S. industrial firms.

With the earnings obscured in so many directions, Canadian investors are hesitant about leaving the sidelines before the outlook clarifies.

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Control Reports Denied For Photo Engravers

Street reports that Simpson's Ltd. has now acquired a controlling interest in Photo Engravers & Electrotypers Ltd. are not true, E. G. Burton, managing director of Simpson's, tells The Financial Post. Simpson's Ltd. has an interest in Photo Engravers but not a controlling one and no stock has been bought recently, Mr. Burton said.

• • •

No New Issue Expected For Walker-Gooderham

Financial circles do not expect any new stock issue for Hiram-Walker-Gooderham & Worts Ltd., The Financial Post understands. The company had $51,388,492 working capital at Aug. 31, 1945 while the preferred redemption would only require $11,216,360, it is pointed out. No official announcement was made on this point.

The 560,818 outstanding $1 no par value preferred shares, will be redeemed at $20 (Can.) a share and accrued dividends on Aug. 27, President Howard R. Walton announced following directors' meeting this week.

• • •

Standard Chemical Common Said Reflecting Expansion

Although net earnings of Standard Chemical Co. were up 57.5% and retained net profit up 143.9%, earnings per common share were down slightly, due largely to the dividend requirements on the new preferred stock and to an increase in the number of shares outstanding. Earnings a common share were 48c. excluding, or 54c. including refundable EPT.

At its current price (about $12 a share), the common stock is selling over 22 times its total 1945-46 earnings. This ratio is said to represent the expectation that earnings will show a substantial increase in the next fiscal year, due to the company's expansion in activities. Total assets shown in the balance sheet were nearly doubled between Mar. 31, 1945 and Mar. 31, 1946. (See annual report, page 15.)

• • •

Can. Western Lumber Favored By N. Y. Firm

Possibility that the common stock of Canadian Western Lumber Co. is in a buying range at the present time is advanced by the N. Y. investment securities firm of Maher & Halseboch in an analysis.

Though the company stands to gain from the accumulated demand for lumber products and any reduction from present EPT levels, biggest factor helping earnings is held to be that this company, by owning directly and indirectly 59,000 acres of Crown granted timberlands on Vancouver Island, is free from royalty charges on these holdings.

Bulk of standing timber in British Columbia is held under license, the study states, on which a royalty tax of $1.75 per thousand board feet is applied. As an inflation hedge, ownership of standing timber is a good form of purchasing power protection; but with little possibility of purchasing good timber, the alternative would appear to be purchase of shares of a lumber company which owns timber the report argues.

Canadian Western Lumber Co. earned .15c. a share, excluding tax refund in 1945, (20c. including). Under 60% EPT the company would have earned 25c. last year. At present levels of $3.25 a share, the stock is selling at 13 times what earnings would have been in 1945 under a 60% EPT rate.

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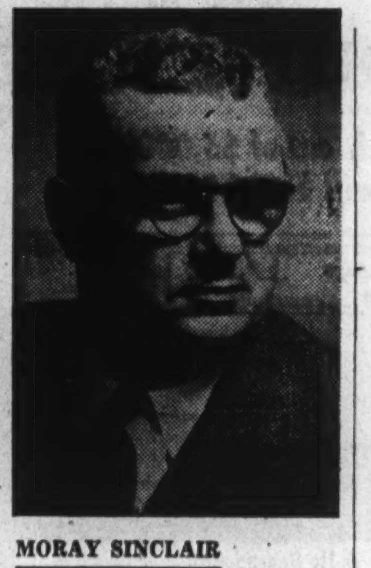
Hydro-Quebec Will Negotiate For MLH&P Shs. Says Deacon

Quebec Hydro Electric Commission is dealing with everyone but investors at 1946 price levels, Col. F. H. Deacon, Toronto, declares in a letter to shareholders. Pointing out that the DBS index of building materials has risen 100% since 1913, Col. Deacon states in a second letter to institutions: "In effect the commission is offering to compensate shareholders with approximately half as much actual building material, for example, less depreciation, in 1946 as was originally supplied before the last war in the construction of certain of the expropriated properties."

Discussions with parties representing all sides have established that Hydro-Quebec and the Government are ready to negotiate for purchase of the shares rather than a portion of the assets as now expropriated, Col. Deacon states. As sale of the shares will obviate a heavy Dominion tax payment and as arbitration could extend over a period of years, it was indicated at the recent shareholders' meeting that every possible avenue leading toward a negotiated settlement on a just basis should be freely explored.

Consequently all shareholders—and investors generally as the ease may set a precedent—will watch closely the progress of the recently formed shareholders committee.



MORAY SINCLAIR

has been elected president of the Canadian Advertising & Sales Federation.

Canadian Loco. Earns $525,000 In First Half

Earnings Equal to $3.29 a Common Share for First Six Mos. of 1946

Earnings of Canadian Locomotive Co. for the first six months of 1946 are estimated at $525,000, after all charges including depreciation, taxes and reserve for contingencies William Casey, president and general manager announces. This is equivalent to $3.29 a common share for the six months and compares with per share earnings of $1.14 excluding or $4.83 including refundable EPT for the whole of 1945.

The company's contract for 60 Belgian locomotives will be completed by the end of July, making 80 locomotives delivered to that date this year, Mr. Casey states. This will leave 60 locomotives still on order, completion of which will be largely regulated by the future supply of necessary materials, primarily steel and coal.

Working hours were cut last week from a 44 hour week to a 32-hour week. Shortages of coal and steel resulting from recent strikes in the United States and the present Canadian Seamen's Union strike made the reduction in hours unavoidable, Mr. Casey said.

General Power Use Up 21.2% For Manitoba Power System

Increased utilization of electric power in 93% of the towns on its system, is reported by the Manitoba Power Commission. The connection of 29 villages and over 600 farms effected a 21.2% increase in the general customer consumption for the first half of the fiscal year beginning Dec. 1, 1945, over the same period last year.

This offset the 71.2% decrease in consumption by air force and military establishments so that the total revenue of $1,007,168.28 shows a decrease of only 2.7% compared with the revenue for the first six months of the 1945 fiscal year. As at May 30, 1946, there were 3,173 more meters than at the same late in 1945.

In April Rapid City voted to ask the Power Commission to serve the village in place of the local plant. The Commission now serves 186 cities, towns and villages. When the Commission's $1,664,000 construction program for 1946 is completed, 227 cities, towns and villages will be reached by the provincial network. Difficulty in obtaining line material has limited the Commission's farm program for 1946, to 1,125 miles of line to bring electric service to 1,500 farms. When conditions improve 5,000 or more farms will be reached each year, the report states.

Montreal Exchange Dividends Decrease

MONTREAL (staff). Dividend payments by stocks listed on the Montreal Stock Exchange and Montreal Curb Market dropped $4.4 millions during June from the same 1945 month. Cumulative dividend disbursements for the six months ended June 30, 1946, were $4.1 millions lower than the same 1945 period.

Of the 20 stock groupings listed, 12 increased dividend payments for the six months period. Principal dividend disburser continued to be the base metals and misc. mines group, paying $30 millions; but biggest improvement was shown by the pulp and paper group. Here $17.9 millions was paid out in dividends, up 56% from the corresponding 1945 period. Holders of breweries and distilleries securities received $871,300 more in dividends.

Biggest dividend decrease was in oils, down $4.3 millions. Utilities, which paid out $18.9 millions in the six months ended June 30, 1945, only distributed $16.5 in the same 1946 period.

We take pleasure in announcing the appointment of Messrs. A. R. Duffield, C. L. Gundy, E. S. Johnston, P. C. Miller and D. R. A. Walker to the Board of Directors.

The Board is now composed of the following members:

J. H. Gundy, *President*
H. W. Loftt — W. N. McIlwraith
W. P. Scott — A. H. Williamson
A. R. Duffield — C. L. Gundy
E. S. Johnston — P. C. Miller
D. R. A. Walker

Wood, Gundy & Company Limited

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CANADIAN VICKERS LTD. shareholders were informed by President J. Edouard Labelle at the company's annual meeting that no decision has been reached regarding funding of the company's preferred arrears. Mr. Labelle reminded shareholders of his original intention to have a plan available for their consideration within 60 days of the annual meeting. At present a special committee is studying the question of how to rearrange the capital structure in order to retire the $2.3 millions of preferred dividend arrears.

MYW

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As principals, we offer the following selection of senior securities in which to invest your profits and other available funds.

	*Price**	*Yield*
Dominion of Canada 8th Victory Loan 3% Bonds due October 1, 1963	105.25	2.53%
Province of British Columbia 3% Debentures due December 15, 1960	103.50	2.70%
Province of Ontario 2¾% Debentures due July 15, 1972-1976	100.75	2.70%
City of Windsor 2½% Debentures due December 31, 1974	86.13	3.25%
Winnipeg Electric Company 3¾% First Mortgage Bonds due May 1, 1971	103.50	3.54%

As agents, we offer:

A. J. Freiman, Limited 4½% Cumulative Redeemable Sinking Fund Preferred Shares	At the market	4.43%

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City of Windsor, Ontario, Debentures Called for Redemption

The following Debentures of the City of Windsor, now outstanding have been called for redemption on July 31, 1946.

$3,693,279.43 of 4% Debentures maturing December 31st, 1947 to 1975 inclusive.
$2,811,004.23 of 3½% Debentures maturing December 31st, 1947 to 1955 inclusive.

We own and offer, as principals:

City of Windsor

3½% Serial Debentures

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amended april 5th

The Ontario Succession Duty Act was amended effective April 5th this year. The Act has been revised in several points of practical importance to estates and estate planning. A booklet summarizing the provisions of the Act with regard to taxable and non-taxable property (as now amended) will be sent on request. It is complete with tables of rates and practical examples of the calculation of duty on estates and trusts.

THE TORONTO GENERAL TRUSTS CORPORATION
BRANCHES IN PRINCIPAL CITIES
HEAD OFFICE: 253 BAY ST.

Ilsley Budget is Disappointment To Stock Exchanges and Investors

By JAMES H. JOYCE

This year's budget "fell with a dull thud" on the Canadian stock exchanges. Investors were primed to jump into the markets if the tax news proved favorable. A number bought their favorite issues in anticipation. Disappointment in the budget news, however, kept most investors out. Canadian stocks drifted lower, with little volume, in spite of a strong New York market.

Biggest disappointment both to investors and to corporations was non-removal of the excess profits tax. A ray of hope that it might not be in effect next year was seen in Finance Minister Ilsley's comment:

"After careful consideration, the Government has reached the conclusion that the Act should stay on the statute books for another year unless provision is made at the next session of Parliament for its earlier repeal."

Also disappointing to investors, although not entirely unexpected, was absence of any recommendation for alleviation of the burden of double taxation on corporate dividends. Again a ray of hope was seen that some action would be taken when a tax arrangement could be made with all the provinces. "Only then," said Mr. Ilsley, "will the Dominion be in a position to implement its undertaking to reduce the element of double taxation on distributed corporate earnings, which has a tendency to discourage risk-taking investment."

Get 25% Cut

That corporations were getting a 25% cut in their Dominion income tax bill was not generally realized at first. The normal income tax rate was cut from 40% to 30% and the excess profits tax rate from 20% to 15%, both effective Jan. 1, 1947. Offsetting this, was the provision for the provinces to re-enter the field with a rate of 5% on net corporate income suggested for provinces willing to agree to the new Dominion proposal.

In an accompanying table, The Financial Post has estimated common share earnings for some market leaders under the new 1947 schedule of taxation—provided they are able to maintain their 1945 level of earnings before taxes. For this estimate, a provincial tax rate of 5% has been assumed, as it is the rate mentioned in the budget and it is the rate which was in force in Ontario, Quebec and Saskatchewan before the wartime tax agreements. The table also shows the recent bid price for these securities and relation to the estimated earnings under the new tax proposals.

Ten of the 25 stocks shown in the table are selling under 10 times estimated earnings, currently regarded as a low ratio. None of the 25 is selling over 20 times earnings—a 5% valuation basis for earnings.

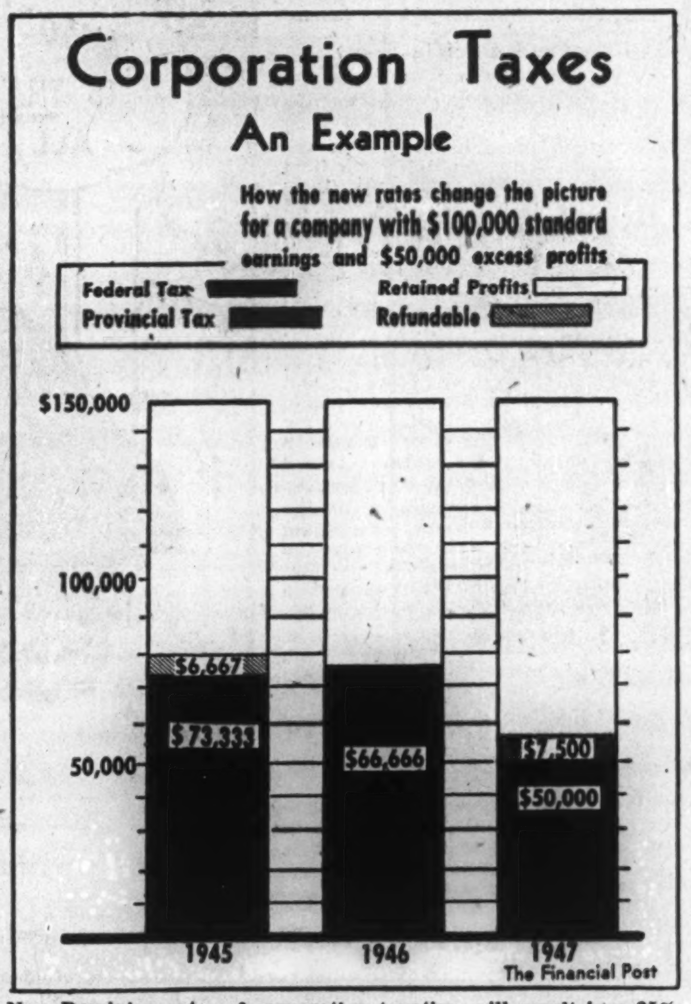
Canadian Locomotive common, a market favorite for more than a year, is selling at the lowest price in relation to estimated earnings of the stocks shown in the table. The company reported high income taxes, so would benefit substantially from a reduction in the rate. Hayes Steel Products, common, another stock with a good market following, is second lowest at 5.3 times estimated earnings. Each of these stocks strengthened on Friday—although less than $1 a share.

May Slow up Financing

Greatest gains will be shown by unincorporated businesses — sole proprietorships and partnerships. They are released entirely after Jan. 1, 1947, from excess profits tax. One effect of this change, may be to slow up the volume of public financing of private firms. It may prove disadvantageous from a tax angle for sole proprietorship and partnerships to incorporate in order to obtain public participation.

The young growing incorporated companies, which might be expected to provide increased employment, are still faced with excess profits taxes based on profits for the 1936 to 1939 period. This exercises restraint on the growth of these businesses by tying their profits to a period from seven to 10 years ago.

Companies not in the EPT brackets this year for the first time since the war began, may look forward to some tax relief, unless the provinces set a corporate tax rate of 10% or higher. If the provinces accept the Dominion proposal, their normal combined income tax rate will be 35% as against the present 40%,—a 12½% drop. (See chart)



New Dominion rates of corporation taxation will result in a 25% cut in the taxes paid to Ottawa. But the inclusion of provincial taxes at a flat 5% of taxable income would severely limit the tax reduction. Chart above shows how it would work.

Diversified investment corporations, formerly exempt from excess profits tax, will now be wholly exempt from income tax under a new budget resolution. (These companies were subject to certain restrictions, one of which was that 85% or more of net income be paid out in dividends. This will remove the tax discouragement to these companies to switching to high-grade bonds at times when the stock market is falling or expected to fall. Formerly they were subject to the normal rate of 18% on income from bond interest.

Others exempted

Diversified investment companies "that have outstanding bonds, debentures or other securities evidencing funded indebtedness" will be exempted from excess profits tax for 1947 and following years, and will only be subject to income tax at one-half the corporate rate.

No mention of milling companies, cotton companies or other groups receiving subsidies is made in the budget proposals. Under a profit control arrangement dating from Aug. 1, 1943, the millers receive rebates from the Canadian Wheat Board on the cost of wheat used in domestic flour in order to permit the sale of flour at ceiling prices. But these rebates have to be refunded to the government to the extent that any excess profit from the sale of this flour is shown. A similar arrangement has been made with other groups in receipt of subsidies. Unsuccessful representations were made for relief from this provision last year following the reduction of the EPT rate to 60%.

Many—especially investors interested in grain companies—were disappointed in recommendations for taxing the co-operatives. Briefly, the budget proposes that an amount equal to 3% of the capital employed (both borrowed and subscribed) less the interest actually paid on borrowed capital, be considered as taxable income. Investors feel that 3% of capital employed is too favorable a rate. From: "Taxation Statistics" the Financial Post calculated that return on equity in 1944 ranged from a low of 3.70% for "finance" companies up to 22.18% for "retail trade." (See The Financial Post, May 4, 1946.) For 30 grain elevator companies reporting profits in 1944, "Taxation Statistics" indicates a return of 13.66% on its equity. In other words, if the present ruling had been in effect in 1944, privately-owned elevator companies would have been taxed more than four times as heavily as co-operatives.

General approval was expressed that Mr. Ilsley got closer to balancing the budget. This was considered a step forward and one likely to help keep inflationary trends in check. But until there is sufficient pressure placed on the government to reduce expenditures, there can be little hope for any large tax reductions, it was stressed.

One reason for the Canadian stock markets' not reacting to a greater extent to the tax proposals is thought to be that tax changes had been discounted in the long search for companies which would be leaders in the postwar field.

How Tax Changes Affect Some Companies' Earnings

Company	—1945 Earnings—		—Estim. Earnings—		Recent	
	Excl. ref. EPT $	Incl. ref. EPT $	60% EPT $	30% plus 15% EPT plus 5% Prov. Tax. $	Bid Price $	Price times est. earn. (last basis)
Canadian Locomotive	1.14	4.83	8.52	10.43	34¼	3.3
Hayes Steel	1.30	2.91	4.43	5.32	30½	5.7
Simpsons, A. & B. ..	1.28	2.44	3.60	4.41	A-37	8.4
					B-33	7.5
Western Grocers	15.61	20.33	25.05	28.65	210	7.3
Robert Mitchell	1.17	1.95	2.73	3.24	30	9.3
J. S. Mitchell	3.60	6.15	8.70	10.31	75	7.3
Canada Packers, B ..	.84	1.53	2.22	2.40	20	8.3
Goodyear Tire	4.30	4.98	5.66	6.51	120	18.4
Easy Wash. Machines	.83	1.08	1.33	1.51	15¼	10.1
Wool Combing Corp..	1.36	1.82	2.28	2.67	26½	9.9
G. Weston	1.70	2.13	2.56	3.45	32½	9.4
National Breweries ..	2.37	3.04	3.71	4.22	52	12.3
Dominion Bridge	1.61	2.27	2.93	3.53	42	11.9
Canada Malting	2.82	3.59	4.26	4.84	61	12.6
John Labatt	1.43	1.70	1.97	2.22	27	12.2
Atlas Steels	2.56	3.03	3.50	3.98	70	17.6
Wilsil Ltd.	1.50	1.71	1.92	2.19	25½	11.6
Cockshutt Plow	.89	1.06	1.23	1.41	16½	11.7
Aluminium	15.22	15.27	15.32	16.85	212	12.6
Bell Telephone	6.94	9.60	12.26	14.05	206	14.7
Southam Co.	.97	1.22	1.47	1.70	19	11.2
Can. General Electric	10.94	13.46	15.98	17.75	270	15.2
Howard Smith	1.96	2.16	2.36	2.75	37¾	13.7
Kelvinator of Canada	1.54	1.59	1.64	1.87	26	13.9
Price Bros.	2.81	3.27	3.73	4.43	67	15.1

Note: Estimates based on results for 1945 fiscal years. An overall 5% provincial corporate tax is assumed for purpose of calculation.

RECORD OF FINANCING

Sales by Municipalities, Provincial and Dominion Governments. Offerings of Corporations and Foreign Securities

Dominion

Dominion of Canada Treasury Bills — Payable Sept. 13, 1946, $75,000,000, dated June 14, 1946. Sold at average discount price of $99,902.06. Average yield 393%.

Municipalities

City of Sault Ste. Marie, Ont.—2% and 2¾%, due 1947-66, $420,000. Dated June 10, 1946, at $99.535; cost basis 2.635%. Sold to A. E. Ames & Co.

Town of Wheatley, Ont. —2¾% and 3¼%, due July 1, 1947-66, $90,000, at $100,269. Sold to Dominion Securities.

Twp. of Stamford, Ont.—4%, due Nov. 1, 1946-60, $9,632. Dated June 10, 1946, at $106.73. Sold to Dominion Securities.

Dist. of Oak Bay, B.C.—3%, due May 1, 1966, $100,000, dated June 10, 1946 at $102.82. Sold to A. E. Ames & Co.

Town of Hawkesbury, Ont.—2½% and 3%, due Aug. 1, 1947-63, $300,000. Dated June 13, 1946. Sold to Goulding, Rose & Co.

Twp. of North York, Ont.—2¼% and 3%, due 1947-61, $274,359. Dated June 17, 1946, at $100.52. Sold to Cochran, Murray & Co., and Can. Bank of Commerce.

Bond Issues

St. John Dry Dock and Shipbuilding Co. —3%, due Jan. 5, 1947-59, $2,343,188, dated June 17, 1946. Sold to Dominion Securities, McLeod, Young, Weir & Co., and Cochran, Murray & Co.

Stock Issues

Modern Tool Works — 30,000 common shares (no par value) at $6.75 per share. Offered by Fry & Co.

Standard Fuel Co. — $1,000,000 4½% cumulative redeemable preferred shares (par value $50) at $51 per share. Offered by Wood, Gundy & Co.

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"What is MOST important in my future?" SECURITY, perhaps you would say? You have *won* the right to *plan your future!* Plan it with life insurance . . . the strongest force to assure *continuation of your present security* . . . for yourself . . . for your loved ones . . . in the years ahead!

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Evidence of the satisfaction of Mutual Life policyholders is furnished by the fact that whole families and succeeding generations have entrusted their life insurance programs exclusively to The Mutual Life, and each year approximately 35% of its new business comes from policyholders. Ask your Mutual Life representative to explain the special features of this Company.

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The shares referred to herein are being offered in Canada, but not in the United States of America. Neither this advertisement nor the Prospectus referred to herein are, under any circumstances, to be construed as an offering of any of this issue for sale in the United States of America or the territories or possessions thereof or an offering to any resident thereof or a solicitation therein of an offer to buy any of this issue.

NEW ISSUE

$5,500,000
(Par Value)

The Goodyear Tire & Rubber Company of Canada, Limited
(Incorporated under the laws of the Province of Ontario)

4% Cumulative Redeemable Sinking Fund Preferred Shares
(Par Value $50 per share)

In the opinion of Counsel these Preferred Shares are investments in which The Canadian and British Insurance Companies Act, 1932 as amended (Dominion) states companies registered under it may invest their funds.

PRICE: $52.50 per share

By arrangement with the Company, the undernamed are giving the holders resident in Canada registered at the close of business on June 28, 1946, of the outstanding 5% Cumulative Redeemable Preferred Shares the prior right to purchase on or before July 16, 1946, the Preferred Shares offered by the Prospectus herein referred to, to an amount not in excess of their respective holdings of 5% Preferred Shares at the close of business on June 28, 1946, all if, as and when issued, and upon the terms and conditions set forth in a letter dated June 29, 1946, addressed by the undernamed, to all such registered holders. Such applications may be made through the undernamed or any dealer or broker in any Province of Canada registered pursuant to the securities sales legislation of such Province. Subject to the foregoing, the right is reserved to reject any or all applications, and also in any case to allot a smaller number of shares than may be applied for.

The offer of these 4% Cumulative Redeemable Sinking Fund Preferred Shares is made by means of the Prospectus dated June 26, 1946, a copy of which has been mailed by the undernamed to all holders resident in Canada registered as of June 28, 1946, of the 5% Cumulative Redeemable Preferred Shares of the Company, and further copies of which will be promptly furnished upon request.

Interim Certificates are expected to be ready for delivery on or about August 1, 1946.

These Preferred Shares are being offered by the undernamed as principals if, as and when issued, subject to approval of all legal details by Messrs. Blake, Anglin, Osler & Cassels, Toronto.

A. E. AMES & CO. LIMITED

THE DOMINION SECURITIES CORPORATION, LIMITED — NESBITT, THOMSON & COMPANY, LIMITED

The Editorial Page

This Concerns All of Us

Because it hasn't resulted in a strike, the dispute between the International Union of Mine, Mill and Smelter Workers (CIO) and the Canadian gold mining industry has not yet received wide publicity.

But it is a dispute which should be of concern to everyone because it threatens the very existence of one of Canada's great industries.

The eight-point "stabilization" program being propagandized and pressed by the CIO for the gold mines—including a 29 cents an hour wage increase—appears to have no regard for the fact that the miners are already receiving the highest annual wages of any single nonprofessional category, and it entirely disregards the fact that the demands, if conceded, would make gold mining uneconomic at probably a majority of existing Canadian gold mines. What effect the institution of such a program would have on the development of numerous promising new gold properties across the Dominion is not difficult to visualize.

An article elsewhere in this issue reveals the effect extra costs occasioned by the eight-point program would have on actual gold operations in Canada's two largest gold mining camps—Porcupine and Kirkland Lake. Here is what it threatens:

1. To force seven of 12 Porcupine gold producers to suspend operations.
2. To close all seven Kirkland Lake producers on the main break.
3. To force mining of only the richest ore, and passing over the other which could never then be economically worked.

Needless to say, gold mines elsewhere in Canada would be similarly affected—and high costs would remove the incentive for re-establishment of the gold mining industry by deferring scheduled expenditures of many millions on new gold mines.

Gold mines obviously cannot raise prices and pass along to consumers. The price of their product is largely a matter of international agreement and international agreements in these days, whether political or economic, are not reached overnight. Anything extra paid to labor must come from one source only, the company treasury. Other industries have a loophole of higher prices but not the gold mines.

Gold mines in Canada have a reputation of always being generous in the matter of wages. In Ontario, in addition to actual wages, each mine on the average spends an additional sum of $218 annually for every employee, for pensions, insurance and similar services. Mines maintained high wages right through the depression of the thirties and it was their policy of maintaining wages and increasing employment during that period that was a major factor in the recovery that followed.

Now we are facing another period of recovery and the nation may soon be looking again to the gold mining industry to provide the new jobs vital in recovery. The industry cannot perform that service if hogtied by uneconomic demands.

No one wants a strike in gold mining. There is optimism that good sense will prevail and that there won't be a strike. But if a strike does occur, it is to be hoped the public will realize that, in effect, gold mining managements will be fighting their battle—and for continued jobs for thousands of gold miners who would inevitably have to be laid off if excessive demands were forced.

Let's Free Travel

Rt. Hon. Ernest Bevin told Labor Party delegates at Bournemouth that he wanted to grapple with the whole problem of passports and visas. He explained what he had in mind by quoting this reply he had made to a diplomat who had asked him, what really was his foreign policy!

"To go down to Victoria station, get a railway ticket to go where the hell I like without a passport or anything else."

This language may not be parliamentary. It may leave a lot to be desired as a complete statement of British foreign policy. Still it does sum up what is in a lot of people's minds about present barriers to world travel.

Recently there was formed in New York an organization called Committee for World Travel, Inc. Its membership includes leading manufacturers, airlines, shipping companies, travel agencies, trade associations and other groups and individuals interested in foreign commerce and travel. It seeks elimination of visas, police certifications, health certificates, exit permits, etc. Its aim is to clear away the artificial barriers to travel which now exist in the statute books of the United States, Latin America and other countries.

Canada has much to benefit by the work of such an organization. We have also some responsibility ourselves in respect of labor permits and other regulations.

Just last week in announcing plans for formation of a Canadian company, Sir Percy Bates, chairman of the Cunard White Star, criticized "the clog of regulation" which he said impeded travel. He urged abolition of passports and visas which, he said, "only catch the honest man since criminals get around them."

Canadians might well take an active interest in the Committee for World Travel, or any similar body designed to make it easier for people to move freely 'round the world again.

Fairer Farm Income Tax

Mr. Ilsley's proposal to allow farmers and fishermen to average returns over three years for income tax purposes should meet approval. It is in line with suggestions made by farmer organizations and with common sense.

Farming and fishing are unlike almost any other industries in that it is impossible in most operations to estimate in advance total production or income. In years of good harvests or big catches production may be two to ten times that of a lean season and much of the extra returns in the former are needed to permit continuing operations when nature refuses to co-operate. There is little man can do to produce commercial crops or big hauls of fish unless weather is favorable.

Again, there are certain farm operations like livestock raising which do not fit into a yearly cycle. Crops are grown this summer to be marketed in the form of livestock next year or later. It may take several years to build up a pure-bred herd before any sales are made. The only fair income tax in such cases is one based on the average returns over a period of years.

Incidentally authors or artists who may work several years on one piece of work before it is saleable are in a similar category and Mr. Ilsley has rightly promised consideration in their case too.

Housing Can Cost Too Much

"As a nation, we should be and are willing to pay a high price to get adequate housing. But the price will be too high if we give the veteran a bad bargain by selling him an over-priced house, if we cripple industrial production needed to create good jobs for veterans, and if we touch off a disastrous inflationary sequence in the process."

This is the theme of an unusually realistic and authoritative appraisal of the much discussed U. S. emergency program for 1.2 million new houses started this year, 1.5 million more in 1947. It comes from President James H. McGraw, Jr., of McGraw-Hill Publishing Co., New York, in an editorial appearing recently in all publications of that company. It is an evaluation which, indirectly, goes a long way toward justifying Canada's far from perfect but rather more restrained planning in the same field.

The editorial unequivocally calls the U. S. housing production goal overoptimistic, ill-conceived and dangerous. Wilson Wyatt's program, McGraw contends, runs unnecessary risks of producing severe economic headaches along with the housing by (a) offering the veteran a high cost house when a chance to rent would better meet his needs; (b) increasing danger of a runaway inflation followed by a crash; (c) failing to attack at the source high costs of building, such as those resulting from restrictions imposed by antiquated building codes and working regulations of labor unions; (d) giving over-riding supply priorities to unattainable goals of home construction and thus endangering the volume of industrial construction needed to sustain full employment; and (e) increasing the supply of money to buy houses at a time when the demand for houses already exceeds production capacity by a wide margin.

McGraw is on defendable ground when he demands:

1. More emphasis on effective use of existing housing.
2. Increase from 20% to something nearer 50% in the proportion of new rental units in the building program.
3. Immediate and direct attack, by local emergency housing committees, on restrictions imposed by building codes and labor unions.
4. Re-slant the drive for more materials away from subsidies and toward removal of obstacles to full-out production ("the subsidy plan seems likely to succeed only in enmeshing the industry in more government controls").

McGraw, enlarging on the danger of throttling industrial construction, refers to Civilian Production Administration estimates of deficits of 15% in lumber, 18% in brick, 52% in cast-iron radiators as indicating a prohibitive squeeze on plant expansion which may complicate the twin problems of sustaining full employment and achieving a more uniform volume of industrial production.

Goods Are the Answer

"The real answer to inflationary pressures is to work and produce the goods that are wanted in greater volume, so that our greater buying power will result in more goods at reasonable prices, rather than fewer at higher prices." This was the sound advice of Finance Minister Ilsley in introducing last week's budget.

Mr. Ilsley directed his remarks primarily to business men, urging them to do all in their power to "hold prices down and get volume up." It is to be hoped, however, that he gains a wider audience.

Labor is a vital factor, very often the dominant factor in determining prices and much will depend upon the attitude of labor and its leaders as to whether prices can be kept within reasonable levels. If they are not, then the influence of another party—the consumer—will certainly be felt and in a way that will not help either business or labor.

Already there are indications that the consumer is far from satisfied with the price, the quality or the flow of many of the goods now being offered. A little more upping of one and lowering of the other and the ultimate arbiter in all business transactions may decide to go on a buyer's strike. He did that after the First Great War when he thought prices had risen too high.

Michigan Sets An Example

People in the State of Michigan are not much different from people in Canada; they just happen to live on the other side of Lake Huron from Ontarians or south of Lake Superior. And you can duplicate or, for that matter, outdo in Canada the climate, scenery, fishing and hunting that Michigan sells tourists to the tune of $400 millions a year. Where the difference lies, so far as the tourist industry (one of Michigan's top three) is concerned, is in organization and salesmanship.

The Financial Post on page 11 reports in detail the organization and operation of Michigan Tourist Council and its regional subsidiaries. It suffices to say here that there is nothing comparable to be found in Canada. It is not by the grace of good management that tourism has reached its present stage of importance in the Dominion and kept our international trade balance with the United States on a sound footing. We've just been lucky. But it's going to take top-grade executive work to equal and to better in years to come the record tourist season breaking this year as a result of travel and income circumstances.

For a cue to what can be accomplished by co-ordination of tourist effort through a well-integrated organization, we might do worse than look to Michigan. If the province of Ontario, for example, were split into half a dozen zones, and each zone put a member on a central tourist advisory council, that council and Travel Minister Welsh would find in each other an immense mutual benefit. There are several active regional tourist associations in Ontario today, as in other provinces, and these would suggest a starting point for zone representation. Big obstacle to be overcome is an evident tendency on the part of many of these local groups to think parochially. A properly province-minded council would give the industry a tremendous boost by its very outlook.

Stop Me If —

A surgeon, an architect, and a politician were arguing as to whose profession was the oldest.

"Eve was made from Adam's rib," said the surgeon, "and that was a surgical operation."

"Yes," agreed the architect, "but prior to that, order was created out of chaos, and that was an architectural job."

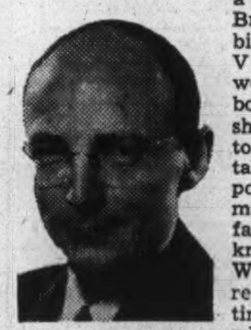
"But," spoke up the politician proudly, "somebody must have created the chaos!"

Post Scripts

To Push Pacific Show

When the Vancouver Exhibition Association advertised a few months ago for a new manager, more than 40 applications were received. But the directors did not require much time to make up their minds, and their choice fell upon blond, bespectacled V. Ben Williams, hustling 44-year-old financial executive of Vancouver.

There were several factors in Ben Williams' favor. One was that he was a product of British Columbia, a native of Victoria, and west coast public bodies usually show partiality toward home talent whenever possible. But the most compelling factor was the knowledge that Williams had a reputation as optimist, organizer, planner and hard worker. The directors figured that he was just the man they needed to "put over" the annual job of staging the Pacific National Exhibition at Vancouver.



MR. WILLIAMS

It will be Williams' task to organize for the first postwar fair to be staged by the Exhibition Association. In a sense he will have to work from the ground up, because since the last fair was held exhibition buildings have been used for (A) Japanese evacuees, (B) Canadian troops. He will have a program of construction to draft and supervise, and then will begin the vital business of establishing a liaison between the exhibition and the thousands of potential exhibitors, fair associations, manufacturers, concessionaires and athletic and show organizations.

For such an assignment Williams is well equipped. He has an intimate knowledge of the Exhibition Association's problems because he has been a director himself for several years. He was also closely associated with committees which managed the Callister Park and Forum, where many of the city's more important sports events are staged.

Williams is a former president of the Junior Board of Trade of Vancouver. He is an executive member of Gordon House and the Citizens Rehabilitation Council. He belongs to the Canadian Institute of International Relations, Canadian Club and several other organizations.

In private life he has been Vancouver branch manager of Dominion Securities, Ltd., following a career in law and salesmanship.

• • •

Tough for Inspectors

If more evidence were needed of the critical housing situation in Canada's urban centres, it was furnished at the recent meeting of the Canadian Institute of Sanitary Inspectors. This organization is an outgrowth of the Western Canada Sanitary Inspectors Association formed in Winnipeg in 1914. One of its oldest active members, and now its president, is Fred C. Austin, chief inspector of the sanitary division of the Winnipeg health department.

In the field of public health the problem of adequate sanitation has been getting more and more attention the last 15 years. Sanitary engineers have been the leaders in clamoring for better housing conditions. Their routine duties have proved to them that there is a close relationship between good housing and health. Today in the big cities there are families living in stores, sheds, cellars, tents, garages, unfinished homes, and trailers. The sanitary inspectors pointed out at the recent meeting that under such conditions they cannot enforce the Public Health Acts nor the municipal health by-laws with respect to housing and kindred matters, because the enforcement would simply throw occupants of low-class shelter on the streets. About all they can do is make their reports, keep the records, ignore the results of their inspections, and hope for improvement sometime in the future.

Fred Austin, a mild-mannered greying man of 62, has been 27 years with the Winnipeg health branch. He was born in London in 1884. For five years he was an attendant in a large North London hospital.

Coming to Canada in 1911 he worked a year in Hamilton, then came to western Canada on the harvest excursion. He worked with the usual threshing gangs and in winter lumber camps. In 1913 he came from Prince Albert to Winnipeg and turned to his old work by getting a job as an orderly in the Winnipeg General Hospital.

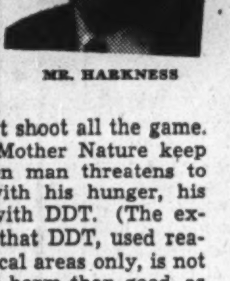
For two years he was orderly in the operating room. In his spare time he studied to get a certificate as a sanitary inspector in the public health branch. When he passed his examinations World War I was going and he enlisted and went overseas with the Third Canadian Casualty Clearing Station. He was three years in France and one in England, was discharged in 1919, came back to Winnipeg, and went on the staff of the city health department as a district inspector in the sanitary division.

In 1944 he was appointed assistant chief inspector and less than a year ago was promoted to his present position as chief inspector.

• • •

Ontario's Fish Man

Boss of one elk farm, two pheasant farms and 24 assorted hatcheries, fish rearing stations and ponds is pipe-smoking, thoughtful Bill Harkness. A few weeks ago William John Knox Harkness traded students for fish and moved across Queen's Park from his University of Toronto biology laboratory to the Ontario Government offices. He stepped out as Varsity's associate professor of limnology, in as chief of the new Fish and Wild Life Division, Ontario Department of Lands and Forests.



MR. HARKNESS

Harkness' new job is to see that fishermen, amateur and professional, don't leave the province's lakes and streams fishless, that hunters don't shoot all the game. He has to help Mother Nature keep her balance when man threatens to throw her off with his hunger, his carelessness or with DDT. (The expert's opinion is that DDT, used reasonably and in local areas only, is not likely to do more harm than good, as some have suggested.) It is interesting to note that Harkness and his colleagues have to guard just as carefully against overstocking with fish and wild life as they do against letting stocks become depleted. It is through Fish and Wild Life, by the way, that Ontarians may secure fish for restocking streams on their own property.

Wild life conservation study and the quiet, greying scientist are no strangers. Harkness has been at this work since before he did his M.A. thesis on "The Rate of Growth and the Food of the Lake Sturgeon (Acipenser rubicundus, Le Seuer)." His published work in scientific journals, magazines, newspapers and reports for committees of the National Research Council dates from 1922, numbers more than 60 papers. It runs from yellow perch to speckled trout, but the professor's first fish love was the sturgeon, he says.

In his 50 years Dr.-to-be-Harkness (he's scheduled to receive an honorary D.Sc. from the University of Ohio July 13) has run up membership in 30 scientific and fish and game societies in Canada and the U. S. and has held office in half of them. His shy, friendly smile and unobtrusive sense of humor have become known to students in labs and lecture rooms of five universities—Toronto, Alberta, Ann Arbor, Florida, Ohio.

Creation of the Fish and Wild Life Division last month ended the former Department of Game and Fisheries, aimed at integrating all lands and forests, fish and game work under one head. To Harkness as chief of the new division went the former Game and Fisheries $1 million budget for 1946, and a ready-equipped, experienced staff. The chief himself is pretty much at home in his new office, for he got acquainted with Game and Fisheries personnel during his summers as director of the Ontario Fisheries Research Laboratory. In fact, his first job is simply carrying on investigation, begun under the former setup, on whitefish, Lake Ontario salmon and maskinonge.

Canny Scot that he is, "John Knox" Harkness plans no immediate expansion of hatchery facilities established under Games and Fisheries administration. His policy is to get maximum operating efficiency out of what now exists, then to consider future needs.

Harkness was born on a farm near Iroquois, Dundas County in eastern Ontario. In 1912 the family moved from this homestead to a fruit farm near Vineland in the Niagara Peninsula. He inherited 10 acres of peach, pear, plum and apple trees and looked after them in spare hours until fish began to claim spare as well as regular hours about 1940.

"Now my wife complains that my idea of a holiday seems to be to drive out and see another fish hatchery," he smiles.

—Cartoon by Grassick.

MAYBE HE WILL LOOK A LITTLE BETTER BY NEXT YEAR

Future for "Consumption Goods"

Stronger Competition Seen for Wage-earner's Dollar From Consumer Durables

J. P. Napier, president, A. C. Nielsen Co. of Canada Ltd., marketing research organization, delivered an address on "The Trend in Consumer Demand" before the Toilet Goods Manufacturers' Association convention at Bigwin Inn, Muskoka, recently. A condensation of Mr. Napier's talk follows:

In appraising what lies ahead in consumer demand, the first thing we must gauge is the outlook for consumer buying power. Is Mrs. Consumer going to have, in the next two years, as much money, more money, or less money than she had in the last two years? Will her money be worth as much? Will she be as free and easy with it as she has been?

During 1945 total income payments to Canadian consumers rose 11% to a new all-time high. Even after adjusting for personal income taxes the total was 92% greater than that of 1939. Total retail sales rose 8% to a level of 70% above 1939—and there is every evidence that this volume would have jumped considerably further if more consumer capital goods had been available.

So much for what happened. What about the outlook?

Everything points to a further period of peak or near-peak employment, at no reduction in basic wages per hour. Slight individual tax cuts will be an additional help to Mrs. Consumer's spendable income, and thus help to preserve the margin of savings with which the average family can replenish its consumer capital goods. This aspect is vital to manufacturers of consumer "consumption goods," who, throughout the war period, had little competition for the consumer's dollar from manufacturers of tires, autos, radios, rugs, etc.

Some manufacturers today are astonishingly complacent about their position in the fields in which they have built their businesses and are experimenting with new products to invade new fields. This trend has taken on some of the aspects of a gold rush. And, as in every gold rush in history, some companies will reap highly worthwhile rewards while others will dissipate their assets, curtail their earning power, jeopardize their trading position, and fail in their efforts to provide permanent re-employment for labor released from war duties.

From across the fence, conditions in the other fellow's industry may seem bountiful indeed. Yet Nielsen Index records show a far higher percentage of failures than of successes where companies, established in one field, have invaded a non-related field. Even in closely related fields, such as tooth paste and tooth powder, all-purpose flour and special-purpose flour, the number of outstandingly successful invasions appearing on our records has been quite small.

Reasons for this general inability of an established company to cross a fence successfully are as diverse as human judgment. But, in general, they boil down to two: failure to gauge competitive conditions exhaustively and accurately, failure to appraise properly the power of the originator's advantage.

When a manufacturer pioneers a particular field he builds a position of leadership and a consumer and trade acceptance. To dislodge him from his position is usually a costly, difficult, long-term risk. Nielsen Index records suggest that in general it is better to pioneer a new product of improved or different characteristics than to imitate a successful competitor.

Competition in this post-victory period will continue to be the basis of a free and virile economy. But for the past century courts and legislatures have debated in an effort to relieve consumers, retailers, wholesalers, manufacturers and shareholders of the burdens of excessive competition.

Apart from the too-often excesses in price competition, our records warn against: (1) An unsound deal, which clogs trade channels with merchandise which the public does not want or has not been taught to want. Deals of this type frequently are repeated before original deal-merchandise sells through. (2) Over-advertising in a saturated market.

Reckless competition can contribute to a highly unsound expansionist economy. A sober and fact-founded analysis can prevent a dangerous multiplicity of errors.

What Others Are Saying

Editorial of the Week

Inflation's First Victims

Montreal Gazette

Though everyone loses sooner or later in the inflationary race, some lose far more severely and more constantly than others. Those who must live on fixed incomes are not merely left behind in the race between prices and wages. They are handicapped from ever taking part in the race at all.

The number of these persons is indeed legion. But they are unorganized, inarticulate, generally ignored. There are many in this category in Canada, and they suffer in company with thousands in other lands. Their problem is one which no government, susceptible to the demands of better organized and more aggressive groups, particularly heeds. Yet they add up in total to a large group in the population—those dependent on pensions, annuities, invested savings, etc.

It reveals a curious and conspicuous defect in the governments of democratic countries that those whose demands will bring lasting hardship upon others and only temporary benefit to themselves should be alertly and readily heeded; whereas those who ask only that their moderate and fixed incomes, and their carefully gathered savings, shall not suffer under the pressure of unbalanced inflation receive no real hearing at all.

Other People's Views

SHARPLY DIVERGENT BUDGET OPINIONS are expressed by two Toronto papers.

Says the **Star**:

"On the whole the budget should be received with approval by all except those who do not realize the burden of debt and hospitalization and other veteran expenses which the war has left behind it; the burden, too, of assisting industry and trade, and of giving the public at least some of the advantages of the better social order which was promised as a postwar development."

Says the **Globe and Mail**:

"It is the most offensive fiscal document which has ever been placed before the House of Commons. Woven through it is the no-longer-to-be-concealed evidence of accumulated administrative ineptitude, ministerial timidity and a fabulous orgy of political promising. Now the taxpayers are being asked to accept all and be thankful for a half-measure of the promised tax reductions, postdated to January, 1947. . . . Mr. Ilsley is an excellent tax collector, which was a decided virtue in wartime. But he is a weak and timid Finance Minister. If there is to be any mitigation of this judgment, it can only be on the admission that the Finance Minister has become the prisoner of the bureaucrats."

SMALL FARMS ARE NOT DOOMED, argues the **Farmer's Advocate** (London, Ont.): "There is a growing tendency toward large scale farming on the assumption that a large unit is handled more efficiently and economically than the small farm. This may be true from a dollar and cents viewpoint. But there is more to living than the accumulation of silver and gold or the adding of farm to farm."

CANADA'S VISIBLE STOCKS OF WHEAT are dropping more than three million bushels weekly, points out the **Edmonton Bulletin**. "As a safety reserve it is calculated that there should always be about 100 million bushels on hand when the marketing year ends at July 31. The present rate of export would leave only 40 million bushels or so when that date arrives. Obviously the Government and the Wheat Board are gambling that there won't be a crop failure this year. They are staking half or more than half the nation's recognized safety reserve in order to get as much wheat as possible to the hunger areas before the midsummer food crisis arrives there. This involves some risk but it is a risk that most Canadians would rather take than play safe at the cost of leaving people to starve."

THE PUBLIC ALWAYS LOSES, in any strike, points out the **Ottawa Journal**. "The innocent bystander gets most of the bricks, suffers most of the inconveniences, and finally has to pay in hard cash. The action of a handful of men in the railway and coal strikes was able to force grave hardships upon millions of people who had no interest in the quarrel of itself but who were drawn into it against their will."

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Socialist Bureaucracy Handicaps British Industry's Recovery Drive

Floyd S. Chalmers, Executive Vice-President of Maclean-Hunter Publishing Company Limited, is now in England, as one of a party of 17 Canadian publishers and editors, attending the Imperial Press Conference. Following is the fifth of a series of articles.

MONDAY. The Associated British Railways have gathered together 10 sleeping cars and four restaurant cars to make up the first special train seen in Britain since before the war. In this splendid train the overseas delegates to the Imperial Press Conference, and their hosts of the British press, will tour the Midlands and Scotland. Today we came to Stratford-on-Avon, holy to every lover of the English tongue.

We made the usual tour of Shakespeare's birthplace, Ann Hathaway's cottage, etc., but for three or four of us there was a greater treat. One of our Canadian party, Hugh Savage, weekly publisher from B. C., was born in this town. His father was librarian at Shakespeare's birthplace. We took him as our guide and he showed us his old home, his beloved Edward VI school, the 12th century chapel, and other shrines of his youth.

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Coventry Symbol of British Heroism

TUESDAY. We woke this morning, after a night of perfect peace and quiet, to find that our train had been parked on a quiet siding in the middle of a beautifully verdant meadowland. A babbling brook beside the track was filled with trout but no one had thought to bring along a rod and line.

The morning was spent in Coventry, where the spire of the ruined cathedral stands as a symbol of British civilian heroism. Here and there a shop or office building remains in the city's heart; all else in the centre of the town is waste. But the busy city's life goes on, as women buy their family's food in temporary shops and the citizens draw plans for the Coventry of to-morrow.

After five years, a blitzed city looks a little unconvincing, because the grass and the weeds grow over the rubble, and cover the naked city as Lady Godiva's tresses covered her when she rode through this town in happier days.

In the afternoon, back to Stratford-on-Avon, where the Memorial Theatre Company put on a special performance of "Love's Labour's Lost." The director, Sir Barry Jackson, told us he had selected this play because few of us would ever have a chance to see it. It is almost the least performed of Shakespeare's works. The humor rings colorlessly today but the Stratford-on-Avon players, by the magic of their acting, their staging and their lighting, invest its lyric poetry with an infinite charm and beauty.

Sir Barry hopes to tour the world with his players and they will visit those cities in Canada that still have theatres, perhaps within the year. Of course, there was only one person to express the thanks of the Conference to our hosts; it was Hugh Savage, and a grand job he did.

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Lancashire Out To Re-establish Self

Before 1914, Lancashire supplied two thirds of the world's imports of cotton textiles. But by the time World War II started, 80% of that trade had been lost and 621,000 workers had dwindled to under 400,000. India, world's greatest market, began to make its own cotton goods; other countries went into textiles; Japan, with cheap labor, took market after market away from Britain. New mills in other countries, notably the United States, installed equipment more modern than Britain's; yet the British industry was losing so much money, it could not afford the large sums needed to modernize.

Today, Lancashire is out to re-establish itself. The mills are being rebuilt and re-equipped. Today we visited different plants. I went to Tootal, Broadhurst and Lee, renowned the world over for style and quality. Its mills are the most modern in Britain. I saw large buildings full of spinning jennies or "mules" being torn out to install the newer ring spinning machines. Thousands of "Lancashire looms" were being scrapped to make way for automatic looms, of which one girl can operate 10 at once.

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Cotton Industry Has 'Atlantic Charter'

The British cotton industry has an "Atlantic Charter" of its own, the report of the so-called "Working Committee," a sort of Royal Commission that has just produced an exhaustive helpful report. Taking its lead from the report, the industry is spending around £120 millions on new machines; it is going in for the newer fibres (rayon, nylon, etc.); it is paying attention to design and quality. In short, Lancashire realizes that it has lost most of the world's market for staple, cheap fabrics. It is out to build a new market in high-style, quality merchandise.

The Lord Mayor, Hugh Lee, gave us a dinner tonight and told us that he and the Lady Mayoress will tour Canada this fall at the suggestion of the Governor-General.

Travel is the great educator. I have always been told that in the metropolitan area around Manchester there are more people than in London. Not so. Manchester itself is the same size as Toronto, has slightly fewer people. Within a 25-mile radius live 4 millions. One has to encompass a 75-mile radius to match the London area. But that includes cities like Liverpool and Birmingham, which do not regard themselves as suburbs of Manchester.

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Socialism Threatens Iron, Steel Industry

WEDNESDAY. More visits to factories. Where the leaden hand of Socialism or threatened "nationalization" does not rest too heavily on British industry, it is progressive in its outlook and making broad plans to modernize and go after bigger world markets.

One industry that does not know where it is likely to end up is iron and steel. The government says it will nationalize up to the ingot stage. But it hasn't said what it will do with plants that are "integrated," making their own steel and fabricating it.

Visited one such this morning, Taylor Brothers, who make the wheels on which the C.P.R. runs. Some of its operations are most up-to-date; the others require modernization. This company, part of the great United Steel enterprise, has decided to take a chance on being socialized. It is going to rebuild its plant. The third and fourth generation of Taylors, who run it, are determined to hold their world leadership in railway wheels, tires and axles. If the government socializes them, they'll accept the decision but they know that with nationalization will go their leadership. I haven't found a businessman yet who thinks that Britain can make her way in a competitive world except through the dynamic force of private enterprise. They fear Socialism, chiefly because they are certain it will prevent Britain from restoring her industrial and financial strength, upon which the well-being and the jobs of her workers rest.

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Need Production Not Legislation

There is no hesitation in Britain on the part of those who believe in incentive and competition, to speak out. Lord Woolton's address today asking the government to get off the back of industry, and saying Britain wants "production, not legislation" will find many an answering echo. One of Britain's greatest men spoke to us off the record of the "vacuum of the spirit" in Britain. "Vacuum" is a strong word, but there is no question that incentive has to fight hard for survival against government action and bureaucratic regulation. And without incentive, Britain cannot get far.

Tonight we split into two parties. One enjoyed an austere and intellectual dinner at the offices of the great Manchester Guardian. I was in the other group, guests at Kemsley House, largest newspaper plant in the Empire, where 11 million copies a week of Kemsley's 25 millions weekly are printed. Six morning papers were coming off the press as we left, including a special edition printed for us, with photos of our party.

Practically every daily in Britain is printed simultaneously in London, Manchester and Glasgow. An elaborate system of wires and photo transmitting machines permits exchange of stories and headings, pictures, cartoons and even proofs of pages, so that all three editions are almost identical.

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Liverpool Busy Erasing War's Scars

THURSDAY. Another badly blitzed city, with vast acreages in the centre of the town stripped clean of any buildings. But Liverpool, too, has a plan to rebuild and, if it is carried through, this will be a beautiful and modern city. It is likely to be completed; Liverpool is a forward-looking municipality where even the Labor lord mayor speaks proudly of what has been accomplished by "individuality" and "private enterprise."

Not only is Liverpool proud of its achievements, but it wants the world to know about them. Never has any Western Canada board of trade trumpeted the local claims to fame as did the speakers at the civic luncheon today, each one seeking to do a better job of impressing us than the previous one, until one alderman reached the climax by declaring that the seven wonders of the modern world are all in Liverpool. He named them, too.

One wonder in process of creation is the great cathedral. Sir Giles Scott was 21 when he won the competition to build it. He is now 65 and hopes to live 20 years more to complete it. Fascinating indeed is the opportunity it provides to reveal, as one moves from one end of the edifice to the other, the growing mind of a great genius of architecture. Incidentally, Sir Giles is a Roman Catholic but the balance is evenly held in Liverpool, for a Protestant is building the R.C. cathedral.

Prices Even Higher And No Cigarettes

Prices here seem to be even higher than in London. Each of the following is the cost of one quarter pound:

Beans	2s. 6d.
Mushrooms	2s. 6d.
Apricots	2s. 6d.
Peas	1s. 3d.

Gulls eggs (off ration) are 5½d. each; asparagus 10s. a bunch (equivalent to about 3 bunches in Canada); a cantaloupe 16s.

Cigarettes do not seem to reach as far north as this. They could be bought in London. No member of our party was able to buy a package in either Manchester or Liverpool.

I've run across two or three businessmen who have been able to buy new cars. They could turn them over at a large profit immediately because used cars (no ceiling) are more expensive than new ones. One man bought a 14-h.p. Vauxhall, pre-war price £250; present price £500. He could sell it in a minute at £900.

In Lancashire the toast is never to "The King." It is always to "The King; Duke of Lancaster."

Many and varied are the beautiful buildings of Britain. But no rooms are finer than those of the Liverpool Town Hall, where the Lord Mayor entertains. Fully restored to service today for the first time since its art treasures were packed away for the "duration," it is a gem. We lunched under the 20-ft. crystal chandeliers, off the corporation's fine old china, with a fortune in hall-marked silver pieces gleaming on every table.

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Empress of Britain Is Pride of Glasgow

FRIDAY. A pleasant day on the Clyde, the sun shining as it refused to shine in England. Publishers from all over Scotland gathered to make a holiday of it with us in Glasgow. Our chartered steamer stopped first at the John Brown Shipyard, whence came the Queens and the Vanguard. I asked a group of workmen what ship gave them the greatest pleasure in building. I do not think they knew I was a Canadian, but they said the Empress of Britain. They still think of it as the most beautiful ship they ever turned out. I asked Sir Stephen Piggott, American-born head of John Brown & Co., what will be the ocean ship of the future. He thinks the 30,000-ton ship, that will cross the Atlantic in five days, will be most popular, falling between the luxury of the Queens and the speed of the trans-oceanic plane.

In for re-fitting at one yard we passed, was the C.P.R. Duchess of Richmond, still wearing her war-time grey, and bearing the marks of honorable combat.

The little river steamer on which we cruised was called the Queen Mary II. Once it was called the Queen Mary but it gave up its name to another and greater ship. A portrait of the Queen Mother, presented by the Cunard-White Star line, expresses appreciation for the surrender of the name. Queen Mary II took us in and around the Kyles of Bute, darting into Rothesay naval base to show us a mother submarine ship with her brood of five underwater chicks; and back to Gourock to entrain for Glasgow.

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Scottish Dinner Is Braw Occasion

Tonight, dinner with the Scottish Daily Newspaper Society, a braw affair, with the haggis piped in and Scottish salmon as the main dish. No effete French wines for these men of the north; two bottles of Scotch on every table with more in reserve, Scotch that spoke with authority. Drambuie with the coffee, and a round of toasts. Then our hosts sang "Will Ye No Come Back Again?" and we all sang "Auld Lang Syne" and adjourned to sundry other parlors and offices where Scotland continued far into the night to pour out her hospitality.

Speaker for the Imperial Press Conference was Frederick I. Ker, of Hamilton, whose eloquence and whose burr bespoke his Scots ancestry. At my table was Sir Patrick Dollan, who visited Canada in 1939 as Lord Provost of Glasgow and who will be out next year as president of the Burns Federation.

A gala night, for Scot and barbarian alike.

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SATURDAY. After four weeks of rain in England the sun in Scotland is welcome. Today, visits to Ayr, to the great ocean terminus airport of Prestwick and dinner with the Lord Provost of Edinburgh.

Food is slightly—but only slightly—less of a problem in Scotland than in England. There are more farms and smaller cities, also plenty of fish. But nowhere in these isles can it be said that people get good and varied food. They look forward to next winter's shortages with a little dread.

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SUNDAY. The Scottish people have discovered that they intensely dislike certain aspects of Socialism. Their mines, steel mills, electric plants, etc., are all to be nationalized and brought under the control of Whitehall's bureaucracy. Scotland has always enjoyed a large measure of self-government, and many Scottish businessmen, with large interests both in Scotland and England, have continued to live in Scotland. With Socialism, everything will be centralized in London and the Scots don't relish the idea at all.

GORDON C. TILLEY

has been appointed controller of H. J. Heinz Co. of Canada.

More Canadian Exports Likely When U.S.-U.K. Loan Approved

OTTAWA (Staff)—Once the U. S. Congress approves the loan to Britain, it is hoped here that an important list of new "non-essential" items will be granted "quota" sales in the British market.

It will be remembered that early in April, following considerable pressure from the Canadian Government, the U. K. Board of Trade approved a list of items which had been traditionally sold in U. K. and which were now eligible for "token" export from Canada. The rate of shipment was put at 20% of pre-war figure. At that time it was expected that volume of Canadian exports permitted entry to U. K. at that time, would run to about $10 millions annually.

The Post is informed that due to short supply and other difficulties, the volume of trade possible under this arrangement has, so far, been very disappointing. Total trade this year is not expected to reach more than $1 million on items so far "on the list."

But as a result of publicity attending the original order, the Department of Trade and Commerce has prepared another list. This list is considerably longer than the first. It contains a considerable number of new and important items not on the first list but which are eligible on the basis that they were traditionally exported from Canada to U. K. in pre-war years.

It is this list which has not yet been approved but which it is hoped will be approved in the near future, once the U. S. loan to Britain is okayed.

The Canadian Government has been pressing very hard to get approval for entry of these items to U. K. But since the same privileges must be extended to United States and other countries, and since Britain's position re U. S. dollar supply is still not assured, no positive action has been taken. As well, there has been considerable red tape to get new individual items approved by the various departments of government in U. K.

Apropos these token shipments, the New York Times reported last week that the United States has now moved to set up machinery similar to that already in effect in Canada, to permit entry of traditional U. S. merchandise into the British market. The same limitations (20% of pre-war shipments) will apply.

GOVERNMENT AND CORPORATION SECURITIES

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BUSINESS THIS WEEK

	MAY	APR.	MAR.	FEB.	Year Ago
THE FINANCIAL POST PRODUCTION INDEX (1)	....	189.6	189.0	188.0	234.3
GOVERNMENT FINANCE (millions of $)					
▪Dom. total revenue	265.7	156.2	....	190.3	285.4
▪Dom. total expend.	243.1	122.2	....	218.0	492.2
MERCHANDISING					
Dept. store sales index no. (1)	....	213.4	222.2	162.1	164.8
Retail sales index no.	....	211.0	210.2	167.0	174.6
Wholesale sales index no.	....	238.1	234.0	210.4	197.3
Country store (% change pr. yr.)	....	....	....	+9.8	....
FINANCE					
Dividend payment index (5)	....	144.2	142.7	141.4	140.0
Bank debits (1)	....	....	191.4	181.2	225.2
Bank deposits index (1)	....	....	250.2	249.4	218.5
Money supply (millions $)	....	....	7,084	7,136	6,036
NEWSPRINT % OF CAPACITY					
Production ratio	....	....	92.3	92.8	79.2
Shipment ratio	....	....	89.0	85.8	71.1
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.) index	184.4	187.9	198.3	182.5	214.2
Cars (D.B.S.) index	146.4	143.9	150.1	147.0	153.9
COST OF LIVING					
D.B.S. index	122.0	120.8	120.1	119.9	119.0
EMPLOYMENT INDEX, D.B.S.					
All industries	....	168.5	167.0	167.2	176.9
Manufacturing	....	185.0	182.6	182.8	212.9
Payrolls (June 1/41=100) (2)	....	129.3	137.6	135.7	143.5

	1946	1945	Jan. 1 to date 1946	Jan. 1 to date 1945	Change %
RAILWAYS—(000's omitted)					
▪Carloadings (week June 22)	71.1	74.4	1,662	1,699	—2.2
▪C.P.R. gross rev. (June 21)	5,270	6,353	131,913	145,633	—9.4
C.N.R. gross rev. (May)	30,784	37,617	154,554	174,212	—10.1
C.N.R. net rev. (May)	3,388	7,508	15,150	30,050	—49.6
C.P.R. gross revenue (May)	22,589	26,622	116,298	126,655	—8.2
C.P.R. net revenue (May)	1,048	3,537	6,328	12,567	—48.1
IRON AND STEEL (000's omitted) (Apr.)					
Pig iron production (tons)	142.2	156.1	587.0	627.3	—6.4
Steel production (tons)	247.5	274.2	975.2	1,070.9	—8.9
CONSTRUCTION (000's omitted)					
Contracts awarded (Apr.) $	75,919	34,298	194,005	78,602	+146.8
Building permits (Apr.) $	52,683	17,850	124,086	43,137	+187.4
Cement prod., bbls. (Mar.) $	603.8	381.7	1,187.7	748.1	+57.2
AGRICULTURE (000's omitted)					
Flour prod., bbls. (Apr.)	2,217	2,126	19,744	18,621	+5.9
Flour exp., bbls. (May)	1,668	1,402	6,463	5,879	+9.9
Wheat exp., bush. (May)	13,497	29,125	69,421	67,190	+3.2
Cattle sales (May) (4)	82.3	128.5	598.0	671.9	—11.0
Hog sales (May) (4)	448.4	558.1	2,167.1	3,062.3	—29.3
SEA FISHERIES (000's omitted)					
Catch, cwt. (Mar.)	448.8	277.5	1,285.3	1,814.8	—29.2
Landed value (Mar.) $	2,021	1,379	4,347	4,242	+2.5
NEWSPRINT (000's omitted)					
Production, tons (Apr.)	338	245	1,309	1,014	+29.1
Exports, tons (Mar.)	320	267	922	716	+28.8
MINING AND OILS (000's omitted)					
Coal prod., tons (Apr.)	1,638.3	1,504.8	3,454.9	3,195.8	+8.1
Gold rec. (fine oz.) (Jan.)	248	233	248	233	+6.4
Petroleum prod. (brl.) (Mar.)	663.5	779.5	1,954.2	2,440.2	—19.9
ELECTRICAL POWER OUTPUT (000,000's omitted) (Apr.)					
Total monthly kw.h.	3,506	3,534	13,655	13,668	—0.1
FOREIGN TRADE (millions of $)					
Imports (Apr.)	160.8	133.8	558.0	508.4	+9.7
Exports (May)	197.0	315.2	896.1	1,396.6	—34.9
FINANCE (millions of $)					
Bank debits (Apr.)	5,773	4,855	22,780	19,683	+15.7
Bond sales (May)	269.2	1,696.1	2,439.6	3,482.1	—30.5
▪Life insurance sales (May)	104.7	62.2	480.4	314.4	—34.6
OTHER INDUSTRIAL FACTORS (000,000's omitted)					
Shoe prod., pr. (April)	3.9	3.3	14.8	12.6	+17.4
Cotton consump., lb. (Apr.)	13.9	13.2	57.4	56.8	+1.1
Cigarette cons. (no.) (May)	1,158	1,199	5,770	5,702	+1.2

(1) Base period 1935-39=100. (2) All industries. ▪New items for week. (4) Total at yards and plants. (5) Nesbitt, Thomson, etc.

The Canadian farmer is not just a farmer in name only — he's a shrewd business man. Proof of that can be found in the merchandise he buys — most of it nationally-known commodities — brand names — familiar advertised goods. He's not afraid to spend money for quality because his preference for the best usually springs from hard and long experience.

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London belongs to you if you were ever lined up by a "bobby" at Vine Street after a raid on one of those little "bottle" clubs in Soho or thereabouts.

London belongs to you if you ever did a "pub crawl" from the Angel at Islington to The Elephant and Castle.

London belongs to you if you know Lords and the Oval.

London belongs to you if you were ever one of the 125,000 enthusiasts watching a Cup Tie.

London belongs to you if you ever waited for the Savoy bar to open or enjoyed a bottle and a bird (or maybe two birds thereabouts). London belongs to you if you know its people—their humour, courage and humanity.

Dear dirty old London belongs to all men of the world who have discovered, when travelling, that, as the late A. Edward Newton said:—"A day spent out of London is a day wasted."

It is a pleasure to commend to your reading "London Belongs To Me" by Norman Collins. You can't spend three dollars for a book that will provide you with more enjoyment. It is Charles Dickens brought up to date. It will make you forget your income tax, strikes, Dominion-Provincial squabbles and the irritations in the day's news. Buy yourself a copy and read it—on your vacation if you will . . . If you start reading it beforehand, you'll probably finish it in one or two sittings, as I did.

Thornton Purkis
Advertising Counsellor and Agent
330 Bay St., Toronto Adelaide 3762

This advertisement is written as a tribute to the book, to the author Norman Collins and to my old friend and client, Frank Appleton of Wm. Collins Sons & Co. (Canada) Limited, The Publishers.

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Education Tax—What Do We Pay And When? Power Companies Puzzle

MONTREAL (Staff)—One of the major headaches of Quebec power companies today—increasingly so with the approach of the Aug. 1 "zero hour"—is Bill No. 48 (passed in April) of the Quebec Legislature, imposing a tax of 15 cents per 1,000 kw.h., to raise funds for education purposes.

Added to the certainty that the levy will not be a light one, is uncertainty as to the exact manner in which it will apply. General estimate is that the tax will gross some $3 millions annually, and that it may prune 20% from companies' net profits; but several "ifs" and question marks are involved.

In the first place, school taxes paid by companies during 1946 will be deductible from the levy; and these taxes vary from municipality to municipality, and from year to year.

Not Crystal Clear

Question No. 1 is whether the phrase "1946 school taxes" applies to the fiscal school year which ended June 30, 1946, or to the calendar year.

Question No. 2, is whether the levy paid to the province will be deductible from income for Dominion income tax purposes. If it is not (as many fear), it may slash 30%, instead of 20%, from profits.

Question No. 3 is when the tax is to be collected. The Act in one section gives the answer "On Aug. 1 of each year"; but another section provides that payments must be supported by a sworn statement as to the total kilowatt hours of electricity generated during the year. Company officials ask how payment can be expected on Aug. 1, 1946, when total power generated this year won't be actually known until the end of the year. One interpretation is that the province expects that taxes for the first six months of the year will be forthcoming on Aug. 1 next, though there is no unanimity on this interpretation.

As provisions of the Act only apply to privately operated power companies generating more than 20,000 horsepower a year, the companies affected are: Gatineau, Maclaren, Quebec, Saguenay, Shawinigan, Canadian Light and Power, Southern Canada and St. Maurice; also aluminum Co.'s giant Shipshaw power development at Arvida, with an installed turbine capacity of some 7.8 billion kw.h., which will also be taken on power actually generated.

May Be Wiped Out

Some observers suggest that the new tax might be wiped out, if some formal allocation of taxing powers come out of the next Dominion-Provincial Conference. They state that the Dominion's last proposal to remit to the provinces one half of corporation power taxes would probably have been completely nullified, from Quebec's point of view, by the proviso that amounts so paid to the provinces would be reduced by provincial taxes levied on the same companies.

While the gross of the new tax is computed at $3 millions, it is estimated that it may net the province only from $600,000 to $1 million, after deductions for school taxes already paid are allowed, and if deductions for Dominion income tax purposes are also allowed.

Though the following figures do not in any way represent company tax liability, they indicate companies taxable and the quantity of power generated in 1945. If school taxes are high in the municipalities where the power company operates, the final tax bill will be relatively low; and vice versa.

Company:	Power Generated (kw.h.)
Canadian Light & Pwr.	141 Millions
Southern Canada Pwr.	216 Millions
Gatineau Power	2.9 Billions
Saguenay Power	2.5 Billions
St. Maurice Power	1.1 Billions
Shawinigan Water & Pwr.	4.0 Billions
Aluminum Co. of Canada	*7.8 Billions
Maclaren-Quebec Power	‡1.4 Billions
Quebec Power Co.	151 Millions

*Installed capacity. ‡Estimated.

Old Hydro Poles Salvaged To Provide Useful Lumber

A good example of necessity leading to new ideas is seen in the salvage plan to convert old poles into usable lumber, inaugurated by the Ontario Hydro-Electric Power Commission last year.

As a result of the acute lumber shortage in 1944, a portable saw mill and planer was set up in Hamilton. Although it was only expected the lumber would be suitable for crating purposes, the results were much more encouraging, it is stated.

The lumber and timber obtained are being used for a variety of purposes including booms and cribs, at De Cew Falls; temporary construction at Stewartville development and De Cew Falls; temporary buildings at Hamilton, and for crating purposes. (Formerly there did not seem to be any economical way of reusing old poles so they were disposed of for a nominal charge to anyone who would haul them away.)

In addition to old poles other sources from which lumber can be produced have been found. Some high quality pine lumber has been produced from surplus as well as dying trees taken off the Commission's property. B.C. fir timber, salvaged from a discarded trestle at Chats Falls was cut up into smaller sizes which are in great demand. Considerable quantity of this timber has been used in construction, it is reported.

Also standing timbers adjacent to transmission lines, removed by the forestry division are used. During the past year a number of saw logs, mostly oak, were obtained in this way and the product from them has been used or stocked to provide skids for the movement and shipping of transformers and heavy construction equipment, it is stated.

Cost of production ran around $3,500 including allowances up to $1 a pole. Approximate value of lumber and timber produced to date is $6,000. By-products from the saw mill, mostly slabwood and sawdust, added around $400 to the revenue.

Billion Dollars In New Capital For Industries

OTTAWA (Staff)—Returns from questionnaires sent to some 15,000 Canadian firms, suggest that new capital investment by private industry in Canada in 1946, will probably reach the billion dollar mark.

The break-down for this estimate is roughly this:

	Millions
Manufacturing concerns	$400
Mining	25
Woods operations	10
Central electric stations	75
Telephones	50
Transportation	140
Residential housing	200
Farm housing & equipment	140
Commercial firms	120
Institutional and others	40
Millions	$1,200

Against this overall figure, departmental officials in Reconstruction and Supply, now estimate that at least $200 millions must be dropped, due to shortage of materials and inability of firms to go ahead with their plans.

The survey was originally undertaken last March. At that time, many firms were confident that they would spend money on developments which subsequently have had to be abandoned due to labor troubles, material shortages, etc.

How Figure Reached

Basis of the question asked these firms was the amount of expenditure "charged to capital account" in 1946. This was taken to include: new construction; major improvements to plant or building; new machinery and equipment. This definition applies to the firms covered by the first six items in the above table.

It was found that "intentions" of industrial firms to make capital expenditures in 1946, ran about 75% higher than comparable spending in 1945. But these "intentions" have in many cases been pared back by failure to get labor and materials. It is estimated that among industrial firms, about 40% of the new capital expenditure in 1946 would have been on new construction and improvement to buildings. The remaining 60% would be in new equipment and other durable "movables."

Since it was 1945 when firms were asked to put their own figure on the amount of capital expenditure they expected to make, their figures would represent individual estimates as to what price increases would have to be taken into account. It is likely that actual cost of many projects which are being undertaken will prove to be considerably higher than was expected back in the early months of this year. In the manufacturing group, food products, chemicals and nonferrous metals showed especial increases over proportionate investment.

20% Higher Than 1945

No comparable figures are available for a similar breakdown in 1945 or in pre-war years. The Department of Reconstruction and Supply is said to estimate that 1946 capital spending in private industry should be 20% greater than last year. For earlier years, comparable outlays in all types of private capital spending are put roughly at $500 millions for 1939; $570 millions for 1937 and $950 millions for 1929.

Without allowance for changes in price levels, this would suggest that 1946 capital spending by private industry is about twice what it was in 1939 and about parallel with 1929.

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Mexican Light Outlook Better

The position of Mexican Light & Power Co. has improved, Chairman Henci Speciael reported to the 1945 annual meeting. His report was read, in his absence, by E. A. Graydon, secretary.

"The desire of the Government of Mexico to promote the industrialization of the country allows us to hope that the company will, in due course, be able to earn a fair and reasonable return on the capital invested," the report stated. "This will restore the company's credit position which is a necessary condition to obtaining required capital for new development."

Improved earnings enabled the company to provide for payment on July 1 of the sinking fund installment for 1946 on the second mortgage bonds and debenture stock, and also the corresponding installment in arrears. For the first time since 1934, the company will be in a position to pay the full 6% yearly interest on its cumulative income issue.

New industries are being created in Mexico, particularly in the outskirts of the federal capital and these, together with important urbanization works, mean a continuously increasing demand for electric energy. The company is thus faced with the necessity of considerably expanding its production and distribution plant.

New regulations came into force last November and under these the company submitted in April a valuation of its invested capital to serve in fixing tariffs assuring reasonable returns on the capital invested, the statement said. Several months must elapse before the appropriate commission can fix these tariffs. The company is seeking an upward revision in tariffs, in line with already increased wage rates.

COMPANY REPORTS

COMMERCIAL ALCOHOLS LTD. retained net profit for the year ended Mar. 31, 1946 was up narrowly. Value of inventory was up $265,852, mainly due to increasing amounts of spirits put into bonded warehouse for maturing, and stock of seed lac carried for the new shellac plant.

The company installed a plant, now operating at capacity, for production of refined, de-waxed and bone dry bleached shellac. The raw material, seed lac, is imported from India. The management is continuing to investigate the possibility of producing other chemicals and by-products.

PROFIT AND LOSS ACCOUNT

Years Ended Mar. 31:	1946	1945
Net oper. profit	$144,537	$130,581
Less: Depreciation	26,244	22,316
Income taxes♦	51,300	44,306
Net profit	66,993	63,959
Less: Pref. divds.	20,000	20,000
Common divds.	40,103	40,103
Surplus for year	6,890	3,856
♦Incl. ref. EPT	2,243	......
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$1.35	$1.28
Incl. ref. EPT	1.38	1.28
Paid	0.40	0.40
Com.. Excl. ref. EPT	0.23	0.22
Incl. ref. EPT	0.25	0.22
Paid	0.20	0.20

CONDENSED BALANCE SHEET

As at Mar. 31:	1946	1945
Cash	$7,796	$18,918
Accts. rec.	235,482	67,511
Inventories	820,714	473,521
Total curr. assets	1,063,992	559,950
Prepaid exp.▲	12,644	15,945
Fixed assets	750,614	713,819
Rights & contracts	113,790	113,792
Total assets	1,941,040	1,403,506
Bank loan	582,500	100,000
Accts. & tax. pay.	162,202	144,548
Dividends pay.	15,026	15,026
Total curr. liab.	759,728	259,574
Depreciation res.	551,582	525,338
Capital stock	440,837	440,837
Surplus▲	188,893	177,757
▲Incl. ref. EPT	......	......
Working capital	304,264	300,376

STURGEON RIVER GOLD MINES says in 1945 report that question of reopening the mine must remain indefinite, due entirely to shortage of labor and supplies. Vein occurrences at the property, while fairly rich, are very narrow, requiring heavy over-breakage and the whole operation requires close supervision, President A. L. Bishop, states.

Company carried out further investigation of the one third interest in 58 adjoining claims to west, but insufficient work has been done to report as to possibilities.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Sundry income	$27,720	$45,237
Less: Oper. exp.	4,062	27,363
Admin. & gen. exp.	11,792	13,273
Net profit & surp.	11,866	4,601
Earnings per share	$0.0043	$0.0017

None paid.

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash	$48,555	$13,368
Accts. rec.	1,252	2,731
Mat. & supplies	38,155	38,178
Total curr. assets	87,962	54,277
Unexp. insur.	5,034	......
Dominion bonds	201,627	173,242
Bds. with HEPC	2,700	2,700
Tor. Gen. Tr. Cert.	40,000	40,000
Mining stocks	......	56,559
Mine develop.	87,480	87,480
Claims & props.	42,731	41,385
Plant & equip.▲	129,698	129,699
Total assets	597,232	583,342
Total curr. liab.	912	887
Capital stock	384,879	384,879
Surplus	211,441	199,576
▲After depr. of	108,818	108,818
Working capital*	87,050	53,390

*Excluding Dominion bonds and trust certificates which are not included in current assets.

DISTILLERS CORP.-SEAGRAMS earnings statement for the quarter ended April 30, 1946, were up 54.7%. The statement, expressed in U. S. currency and subject to "last-in, first-out" inventory accounting and year end adjustments, follows:

Periods Ended Apr. 30	3 Mos. 1946	9 Mos. 1946	9 Mos. 1945
	$	$	$
Prof. after all oper. chgs.	11,575,712	41,598,022	41,859,508
Less: Inc. & EPT	6,580,329	23,408,198	29,245,076
Net profit	4,995,383	18,189,824	12,614,432
Earns. per Share* & Dividend Record:			
Pref.: Earn.	$3.83	$143.85	$97.30
Paid▲	1.25	3.75	3.75
Com. (new)■ Earned	0.55	(2.02)	(1.38)
Paid (old com.)♦	0.55½	1.66½	1.66½

*Based on shares outstanding at close of respective periods.
▲U. S. funds
■After five for one stock split.
♦Canadian funds.

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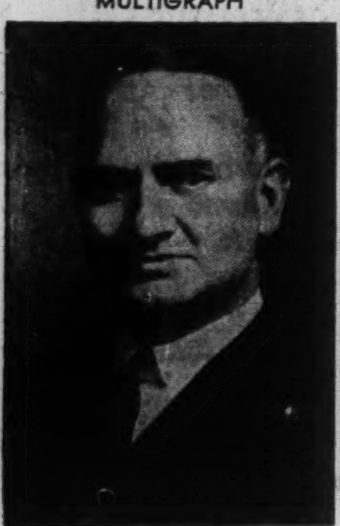

J. CARRUTHERS

has been appointed Acting General Manager of Addressograph-Multigraph of Canada Limited. Born in Scotland, Mr. Carruthers came to Canada in 1930 and started with Addressograph-Multigraph as Accounting Clerk. He has been promoted from one executive post to another, culminating in his present appointment as Acting General Manager for Canada.

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WHAT'S NEW IN BUSINESS

Manufacturers of products that are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respects it is new, and indicate its significance to its field.

Revolutionary Car Heater

Perfected for heating airplanes, tanks and army huts, a new controlled heating unit for automobiles is expected to be ready for the market by fall. Galvin Manufacturing Co., Chicago, makers of Motorola car radios, is now planning advertising and distribution. One heater model is cowl-mounted, another nestles under the front seat; both are controlled by instrument panel push buttons, operate with the motor on or off. Controlled temperatures between 50 and 80 deg. F. are promised. Retail price in the United States is to be about $50.

* * *

Dog Life Insurance

Mutual Commerce Casualty, Kansas City, is now offering dog mortality and hospitalization insurance. Life contracts are written on dogs up to seven years, with death benefits as high as $500. Hospitalization coverage runs to 16 days. To be eligible, dogs must have been vaccinated against distemper, or have recovered from the disease.

* * *

Portable Vulcanizer

A compact, self-contained vulcanizing unit enabling the motorist to make vulcanized tube repairs in his own workshop or wherever he may be stranded with a flat tire, is new to the Canadian market. The M-3 Match-Patch Emergency Kit is steel throughout, with a rubber cushion which assures feather-edged repairs. Insulating properties of the rubber cushion also help it to hold a correct temperature longer.

* * *

Add-A-Page Binders

Add-A-Page Inc. in the United States is selling binder strips which can be saddle-stiched into a catalogue when it is first published to provide a ready, permanent means of adding new pages and photographs later. The strips are pressure-sensitive, require no punching moistening or gluing. They come equipped with cloth-protected edges. The company says a single strip will hold firmly a 90-page magazine

* * *

Movies Without Darkness

Movies of the future may be shown in lighted rooms if current experiments with ultraviolet light projectors and fluorescent screens are successful. The new projector would operate like the conventional machine, but would emit a cone of "black" light, focussed in the normal way, but on a fluorescent screen. Possibilities are seen for the principle in advertising

* * *

Scissors Car Jack

Fresh to the Canadian market is the Chieftain No. 433 automobile jack. Made of heavy duty steel, the scissor-like jack has a low position of 4¾ in., goes up to 14¼ in. It weighs 16 lb., has a capacity of three tons. Price, f.o.b, Toronto, is $8.95.

* * *

Leatherflex Enamel

Leatherflex is a new enamel which can be heat-embossed to produce a simulated alligator or other expensive-looking texture on low-cost leathers. Produced in the U. S., Leatherflex is said to produce a weather and waterproof finish which will not peel or crack, keeps the treated leather soft and pliable, and helps to prevent its sagging or stretching. Leather is first treated with a sealer coat, then the pigmented lacquer is applied. A two-tone effect can be produced by applying a topping coat after embossing.

* * *

Office on Wings

To help Henry Ford II keep on top of his stacks of work, Ford Motors has bought a war-built C-47, had it converted by Spartan Aircraft, Tulsa, Okla., into a sky-high executive office. In place of military gear there is a conference room, with sponge rubber chairs which unfold to make beds, a built-in secretarial desk, an essential galley. In the conference room are disappearing card tables. The office on wings accommodates eight.

* * *

Parking Periscope

To help remove the guesswork in parking, a United States inventor has devised a three channel periscope giving vision over the rear of the car and around each side. Lenses and mirrors focus the whole picture in front of the driver without a twist of his head.

* * *

Production Lead Comparators

New to gear shops is a line of Michigan Tool production lead comparators, designed for use on the production floor alongside gear cutting and shaving machines. The master multiple thread lead, followers, indicators and actuating mechanism are all enclosed. The machines may be used in setting up gear cutting and finishing machines, checking gears after processing, determining lead compensation for "unwinding" of gears during heat treatment, etc.

* * *

Supermarket Flowers

United States Dept. of Agriculture is selling supermarkets on the idea of going into the cut flower business. It recommends field grown blooms as adequate for the mass market, says established florists would still retain their $400-million-a-year hothouse quality market. Supermarket methods of packaging and merchandising would boost field flower output, cut cost with an assurance of sale to growers, heighten the public's interest in botanical beauty.

* * *

Aids to the Deaf

An aural aid developed at the London, England, research station of the General Post Office, has been pronounced "better clinically than any other" by Dr. W. G. Radley, controller of research. About the size of a cigarette case, it has three tiny amplifying valves, a simple earpiece and batteries. Also to help hearing-aid users is a General Electric wartime chemical development, Dri-Film, which solves the problem of having devices go dead in heavy humidity. GE Dri-Film vapor treatment was used during the war to protect vacuum tubes against conditions which would cause short circuits.

YOU ASKED US

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, wartime regulations and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave., Toronto 2. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed.

INVESTMENTS

C. S. Lines

What are future prospects for Canada Steamship Lines?

Last year this company experienced a record passenger season. An increased movement of grain through Montreal in 1945 increased operating revenue from $16,939,927 to $17,799,368. Operating costs moved up to $14,076,117 from $13,332,279. The company showed a net profit of $1,062,830.

Last year the market price of this stock ranged from a high of $18.50 to a low of $11.38. This year the price range has been from $23 to $17.

At present the stock is fractionally over $19 which on an earning per share basis on the common stock is selling approximately 8 times earnings excluding the refundable portion of excess profits tax or about 9 times including excess profits tax.

The early spring coal strike in the United States brought the coal stock piles on Great Lakes ports to a low level for some time, which meant less than normal business for water carriers than usual. The seamen's strike tied up shipping and increased expense, shipping men state.

Transportation men anticipate as big a passenger season as last year, if not bigger.

Just what the final effect of the seaman's strike will be, shipping men are not yet in a position to say, but if ships can be operated steadily from now until the end of the season, some observers think operating revenues will not be too seriously affected.

Hiram Walker

To what do you attribute the recent strength in Hiram Walker-Gooderham & Worts stock?

The recent strength in the common stock of Hiram Walker-Gooderham & Worts is thought to be based on two reasons in financial circles. One is the increase in quarterly earnings. The other is the talk of the possibility of a split in the common stock and an increase in the rate of dividends paid.

For the six months ending Feb. 28, 1946, earnings per common share were $9.93 as compared with $5.45 for the similar 1945 period and as compared with $12.26 including the refundable portion of the excess profits tax for the year ending Aug. 31, 1945. The main portion of the rise to date has come from an increase in operating profits. In addition, for the balance of the current fiscal year, further improvement is expected to result from reduction in the corporate tax rate for 1946 in the United States and in Canada. In the United States, the rate has been reduced to a flat 38% for 1946 while in Canada the excess profit tax rate for 1946 has been reduced from 80% to 60%, with a further reduction just announced for 1947

The rumor regarding a stock split has come up from time to time and has always been denied by the company.

There has been no indication from the company regarding any increase in dividends. Expectation of this arises solely from the considerable increase being shown in earnings and the fact that the company's working capital position is fairly strong. Working capital at Aug. 31, 1945, was $51,388,492 up nearly 75% from 1939.

INCOME TAX

Supports Orphan Child

A widower died recently leaving his son, aged 8, in my care. There are no relatives in this country. What allowances am I entitled to for income tax on account of the child? His father left very little and the child is practically penniless.

You are entitled to both family allowances and income tax deductions on the boy as if he were your own. You should, however, make application for the family allowance in the regular way and supply complete details to both family allowance and income tax authorities.

Married Allowance

Under the new income tax regulations, exemption for a married man is increased from $660 ($1,200 in effect after deducting $150 from my tax) to $1,500. Will I, as a married man be entitled to deduct $150 from the tax on my income, over $1,500, as I did previously from my tax on income over $660?

No. The new exemption of $1,500 for a married man replaces the combined income deduction of $660 and the tax credit of $150 granted the married man under the previous regulations.

Lignin Waste Useful In Road Foundations

Lignin extract—waste sulphite liquor from pulp mills—only now is being recognized as a cheap and effective stabilizing agent for road foundations. A recent report by engineers of the Quebec Dept. of Roads states that admixture of lignin makes foundation soil practically waterproof, greatly reduces the amount of material needed, such as gravel; in other words, enables use of a shallower foundation "mat" of stabilized material. This represents a substantial saving on a job to which gravel or other fill must be hauled long distances, or bought outside.

GOLD CITY PORCUPINE MINES reports that S.E.C., Philadelphia, has accepted for registration and sale in United States, 650,000 treasury shares of the company. Sale of stock is to be handled by American interests at 35 cents a share. Diamond drilling is to be resumed to test anomalies reported in recent geophysical survey. Old shaft is to be dewatered for underground drilling.

No German Overtones To These Harmonicas

Bucking the tradition that mouth organs should be made only by European craftsmen, should employ no departures in methods and materials, are three Canadian companies. One, Cheerio Toys & Games Ltd., Toronto, is already in production on a $1 all-plastic model made from United States-designed molds. Another, The Stanson Co., Toronto, is ready to start assembly this week on three harmonicas. The Philip B. Sirvent Co. Ltd., also of Toronto, is in the final stages of tooling up.

While these Canadian makers are getting under way, an English mouth organ is being imported to sell for about $3 and an American model is also coming in, in limited quantities, at the same price. Big harmonica names like Hohner, Weiss, or Brienl haven't been seen on Canadian music store counters for years; and importers have no assurance when they may start across the Atlantic again. Tressingen, Germany, and Graslitz in Czechoslovakia are traditional homes of the mouth organ.

Must Meet Tests

Veteran importers and jobbers of musical instruments tell The Financial Post they are sceptical of the public's acceptance of Canadian-made mouth organs unless the instruments are thoroughly comparable in quality, price, and packaging. They agree that virtually any passable harmonica can be sold today, but say the European product, when it returns, will be hard to match from a sales standpoint. Before the war, German models, smartly finished and boxed, true and clear in tone, sold here for 25 cents. No Canadian maker has dared talk less than $1 in the face of production costs here.

Philip Sirvent, Spanish-trained engineer who came to Canada to work in the aeronautics field, is the man behind the plastic and metal Negresco harmonica. Three months ago he started taking apart a German-made instrument to see what made it blow. Now, with a sheaf of blueprints behind him, he has a plant equipped to turn out about 2,400 mouth organs a day, as soon as a final mold is delivered. The Negresco, retailing about $2, will be a four-inch instrument made in two models (keys of "C" and "G") by a Sirvent-devised production-line technique. Hand-milling and slow hand-setting of reeds have been eliminated by three months of paper and workshop worrying; and a rivetless, woodless, plastic and metal instrument will be on the market soon, distributed by Walter Trading Co., Port Credit. Mr. Sirvent believes application of production line technique to mouth organs is a completely new departure for the industry. In Germany it is largely on the basis of a local craft, with the economy of whole villages built about it.

Production of the all-plastic Cheerio mouth organ could reach 20,000 a day with the plant going full blast, G. F. Button, sales manager, says. It is being limited to 15,000 a week in the key of "C" only, now.

J. B. Lightfoot, manager of the new Stanson Co., has just smoothed out the last "bug" in his automatic mouth organ assembly system. He has been at it since Christmas, developing modern methods and training key men. By this fall Stanson production is expected to be up to 5,000 units a day. Aim of the company is to ship about one third of its production abroad; and a charter has already been applied for, to set up a United States plant in Detroit.

Stanson plans to make a 20-reed "Blue Jacket Band" retailing at $1, a 40-reed "Symphonic De Luxe at $1.95; two 64-reed chromatic models as high as $7.50. Traditional wood is used in the Stanson instruments, but stainless steel and colored lucite have been introduced into the assembly for better performance, more attractive finish. Neatest trick devised by Stanson is an electronic tuning system, new to the industry.

Saskatchewan Net Debt Is Cut by $11,378,709

REGINA—Saskatchewan reduced its net public debt by $11,378,709.53 in the fiscal year ended April 30, 1946—the largest reduction ever achieved in one year—Provincial Treasurer C. M. Fines announced here. He reported a surplus of $490,000 for the year, against $2,216,000 the previous year, and $31,000 estimated for 1946-47.

Gross public debt was reduced by $13,670,359.15; but this was offset by a $2,291,649 reduction in the amount of the provincial sinking fund. The net reduction, approximately $1.7 millions more than in 1944-45, sets a total two-year reduction of over $21 millions.

Revenue for the year was $39,275,647; expenditures $38,784,814. Revenues showing greatest improvement were: education tax, $5,592,000 ($4,895,000 the previous year); gasoline tax, $4,404,000 ($3,397,000); liquor, $6,605,000 ($3,776,000).

Expenditures were up $7 millions; chief increases being highways, $613,000; public health, $1,598,000; natural resources and industrial development, $1,081,000; old age and blind pensions, $2,648,000.

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FOR SALE

Industrial Building and Land at Malton, Ont.

Subject to prior sale or withdrawal, War Assets Corporation invites offers for the purchase outright of the Crown's right, title and interest in an industrial plant located at Malton, Ontario, formerly known as Warehouse "S," Victory Aircraft Ltd., and more particularly described as follows:

The property is located in Lot 10, Concession VII, Township of Toronto Gore, County of Peel, the land parcel having a frontage of about 263 feet on the Road Allowance between the Townships of Toronto and Toronto Gore, with a depth from front to rear of about 1053 feet, excepting therefrom an area about 7'9" in width and 31'8" in depth on the easterly boundary of the land; the building erected on the site is a one storey and part mezzanine, hollow tile constructed warehouse built on reinforced concrete foundations with concrete floor, and covered railway and truck loading docks on two sides of the building. The ceiling height at centre is about 28 feet. The building is completely sprinklered with a dry system. Steam heating is supplied through unit heaters and standard radiators from a low pressure fully automatic boiler. Offices and washrooms are located across the front of the building on two floors.

The building is approximately 100 feet x 400 feet and together with mezzanine floor space and loading docks has a total floor space of approximately 63,000 square feet. The plant is presently serviced by a spur line from the Canadian National Railways, the continued use of which will be subject to a special agreement.

All data contained herein are necessarily abbreviated and subject to correction.

Offers to purchase must indicate the proposed use of the property and anticipated employment figures which, for economic reasons, will be determining factors in considering any offers.

War Assets Corporation reserves the unqualified right to reject any or all proposals.

Sale of the property will be subject to the approval of the Governor-in-Council.

Inspection may be arranged upon application to the representative of War Assets Corporation at the building or to A. V. Roe (Canada) Limited, Malton, Ontario.

Offers should reach the Head Office of the Corporation at the address given below not later than:

FRIDAY, JULY 12, 1946

LANDS AND BUILDINGS DEPARTMENT
WAR ASSETS CORPORATION
4095 St. Catherine Street West, Montreal 6, Quebec.
P.O. Box 6099 Phone: BElair 3771

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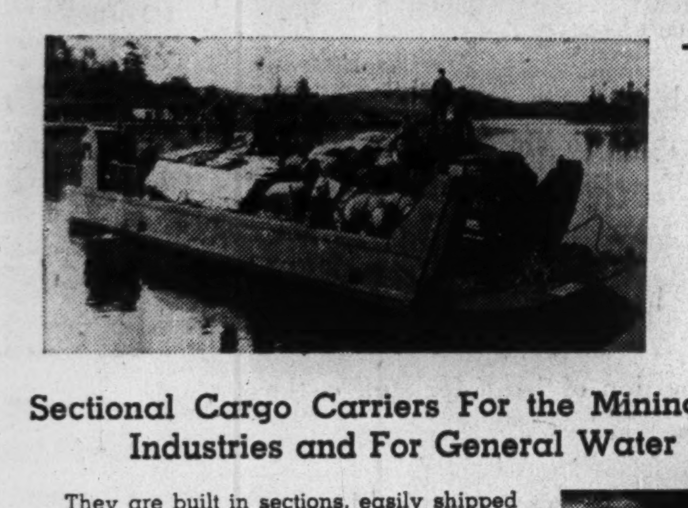

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Without Power
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July Dividends Up 39.9% From Same Month of '45

Payments for First Seven Months of 1946 Amount to $180.6 Millions, Up 9.6% from Same Period Last Year

July dividends will be up 39.9% from the corresponding month of last year, according to a preliminary estimate by The Financial Post based on dividends already declared. Increased payments and dividends by new listings were largely responsible for rise. Dividends paid and declared in the first seven months of 1946 total $180,657,888, against $164,850,060 a year ago.

Monthly Dividends

	1946 $	1945 $
January	27,085,896	22,985,207
February	8,464,065	8,797,809
March	30,496,833	36,598,221
April	29,061,948	16,811,664
May	9,564,457	8,662,889
June	47,161,151	50,401,634
July	28,823,538	20,592,636
Total	180,657,888	164,850,060

Company:	Rate	Date	Amount
Industrials, Utilities			
Acadia Atlantic, A	.25q	2	50,000
Agnew Surpass, pfd.	♦1.75	1	15,333
Algoma Steel, pfd.	2.50s	1	44,517
Amal. Electric	.30	2	25,126
Amer. Cyanamid	†.25q	1	666,503
Do., pref.	†.12½q	1	185,221
Ashdown Hdwe., H.	.15q	1	20,430
Beatty Bros., A	.50q	2	19,500
Do., (B)	.50q	2	50,000
Belgium Glove	.10	1	5,000
Do., 5% pref.	.25q	1	4,063
Belding Corticelli	1.50	2	11,242
Do., pref.	1.75a	2	15,142
Bell Telephone §	2.00q	15	1,740,000
Brant. Cordage	.12½	15	10,000
Do., pfd.	.32½q	15	10,,920
Biltmore Hats	.17	15	13,600
Do., (A)	.17	15	6,800
Brazilian Tr., pfd.	1.50q	2	5,901
B. C. Elec. Pr. & G., p.	1.50	2	75,000
B. C. Power (A)	.40q	15	400,000
Building Products	.25q	2	120,845
Burlington Steel	.15q	2	21,000
Butterfly H., 7% pfd.	3.50s	30	1,036
Canada Bread	.10a	2	20,000
Do., 4½% pf.	1.12½q	2	26,250
Do., 5% B pf.	.62½	2	15,625
Can. Nor. Power	.15q	25	60,000
Do., pref.	1.75q	25	96,250
Can. Steamship, pf.	1.25s	2	286,562
Candn. Breweries, pf.	.31¼q	1	......
Candn. Canners	.31¼	2	43,031
Do., 1st pref.	.25q+.05	2	57,262
Do., 2nd pref.	.15q+.15	2	106,474
Canada Dry	†.25	1	153,789
Do., pref.	†1.06¼q	1	53,707
Can. Fairbanks, pfd.	1.50q	15	16,893
Candn. Cottons	.45	2	61,887
Do., pref.	.30q	2	50,191
Can. Food Prod.	.12½q	1	17,826
Do., A pfd.	.25q	1	17,826
Can. Industries, A, B	1.50	31	1,125,245
Do., pref.	1.75q	15	81,375
Can. Gen. Elec.	2.00	1	377,690
Can. Westinghouse	*.50q	1	273,000
Can. Wallpaper, A & B	1.00a	18	129,246
Cassidy's, pfd.	1.75q	2	8,416
Do.,	▲3.50	2	16,832
Comm. Alcohols	.05q	15	10,025
Do., pref.	.10q	15	5,000
Cons. Bakeries	.20q	1	63,688
Consumers' Gas	2.00q	2	291,104
Cons. Press	.25	2	12,500
Can. Shipbldg., A	.30	2	15,600
Do., B	.20	2	41,600
Can. Wir. Box, A	.37½q	2	19,093
Carnation, pf.	†1.00q	1	50,000
Celanese, $4.75 pf.	†1.18¾q	1	415,625
Do., 2nd pf.	†1.75q	1	259,312
R. L. Crain, Ltd.	.10q	2	6,000
Dom. Coal, pfd.	.38	31	82,786
Do.	▲1.87	31	407,396
Dom. Dairies, pf.	.44q	15	11,000
Dom. Foundries, c.	.35q	2	127,754
Dominion Glass	.25q	15	53,125
Do., pref.	.35q	15	45,500
Dom. Oilcloth	.30+.10q	31	280,000
Dom. Textile	1.25q	2	337,500
Do., pref.	1.75q	15	33,900
Dom. Tax	■.25q	2	110,500
Easy Washing	.25s	2	7,655
Foundation Co.	.35q	19	29,610
Kreiman, A. J., pf.	1.50	1	13,156
Fraser Cos.	.50	25	185,501
Fashion-Craft, pfd.	1.25q	1	209,000
Gatineau Pwr.	.23	1	382,835
Do., 5% pfd.	1.25q	1	152,450
Goodyear Tire	1.00	2	257,260
Do., pref.	.62½q	2	72,348
Gordon & Belyea A	.62½	2	1,375
Do., B	.62½	2	603
Do., pref.	1.50q	2	1,827
Gen. Products, pf.	2.50s	2	10,787
Gt. Lakes Pap., A & B pf.	.25	2	50,000
Greening Wire	.05q	2	28,500
Grand & Toy	.15	2	3,460
Hahn Brass	.50s	1	12,500
Harding Carpets	.15s	2	26,239
Hinde & Dauch	.25q	2	74,983
Holt Renfrew, pf.	3.50s	15	35,000
H. Smith Paper	.25q	30	60,550
Do., pref.	■.29	28	11,600
Hunts, A, B	.20	2	26,924
Intercol. Coal	1.00s	2	10,000
Do., pref.	4.00s	2	7,932
Inter. Bronze	.25	15	25,000
Do., pref.	.37½	15	37,500
Inter. Metal, A	.40	2	75,326
Do., 4½% pref.	1.12½q	2	504,000
Inter. Power pf.	.150q	2	120,000
John Labatt	.25q	15	22,500
Journal Pub.	.17q	15	17,000
Jam. Pub. Service	.17q	2	22,900
Do., pref.	1.75q	2	13,125
Levy Bros.	.10	2	5,000
Lang, J. A.	.25q	2	25,000
L. St. John Pwr.	.50	15	5,000
Lowney Co., W. M.	.12½q	15	25,899
Lindsay, C. W., pf.	4.00	15	17,645
McBrine	.50s	1	10,000
Mod. Containers	.30q	2	7,500
Do., pref.	1.37½	2	4,125
Montreal Telegraph	*.48q	15	24,000
Mtl. Lt. H. & Pwr.	.25	2	1,122,238
Mtl. Locomotive	■.20	1	140,000
Monarch Knit 5% pf.	1.25q	1	15,937
Moore Corp.	.55½q	2	239,805
Do., A, B pf.	†1.75q	2	49,336
Murphy Paint	.20q	1	13,760
Mt. Royal Rice	.12½q	31	7,500
National Brew.	.50q	2	360,686
Do., pref.	.44q	2	48,840
National Grocers	.15q+.20	1	103,310
Do., pref.	.37½q	1	53,949
Nat. Steel Car	.37½	15	263,250
Niag. W. Weaving	.25q	2	28,750
N. S. Light & Pr., ord.	1.50q	2	43,153
Ogilvie Flour, c.	.25q	2	150,000
Ottawa El. Rly.	.60q	2	18,649
Ottawa L. H. Pr.	.15q	1	21,000
Do., pref.	1.25q	1	21,250
Ont. Beauty Supply	■.15	2	3,000
Do., pref.	‡.15	2	12,000
Page-Hersey Tubes	.34¼q	1	54,461
Price Bros., pf.	♦1.37½	2	86,409
Prov. Paper, pf.	1.75q	2	61,250
Power Corp. pref.	1.50q	15	75,000
Do., 2nd pref.	.75q	15	75,000
Do., com.	.30	31	133,909
Riverside Silk, A	.50q	12	15,000
Robertson, P.	.50q	1	30,030
Do., pref.	.62½q	1	3,753
St. Law. Corp., A pfd.	.25q	15	72,044
St. Law. Pap. pf.	.75q+1.50	15	305,037
Sherwin-Wms., pref.	1.75q	2	60,550
South. Can. Pwr., pf.	1.50q	15	106,333
Silverwood W.D. pf.	1.25q	2	8,232
Saguenay Pr., 4½% pf.	1.06q	1	53,000
Standard Fuel, pfd.	1.62½q	2	18,785
Standard Radio, A, B	.10q	10	21,500
Stedman Bros.	.15q	2	61,200
Tamblyn, G.	.20q+.05‡	2	28,000
Do., pref.	2.34¼	2	3,650
Tip Top Tailors	.07½q	2	9,000
Tooke Bros.	.25q	3	7,331
Thrift Stores	.20q	15	5,094
Toronto Iron	.15q	2	5,790
Do., "A"	.15q	2	12,750
Tuckett Tob., pf.	1.75q	15	35,000
Twin C. Rapid pf.	†.62½q	1	5,540
United Fuels, pfd., A	.75q	2	67,500
Viau, pref.	1.25q	2	11,825
Wabasso Cotton	1.00q	2	69,903
West Koot. Power, p.	1.75q	2	8,750
Western Grocers	.75q	15	12,707
Do., pref.	1.75q	15	20,899
Weston, Geo., c.	.20q	2	80,884
Wilsil	.25q	2	33,925
Wool Combing	.25	10	12,500
Willson Sta. & Env. pf.	1.25q	15	5,000
Total			16,367,438
Mining Companies			
Anglo Huronian	.10s	31	150,000
Cons. Smelters	1.75	15	5,733,574
Do., bonus	.75	15	2,457,246
Dome Mines	.30	30	600,000
Grandview M.	.01	15	29,997
Sherritt Gordon	.02	6	117,488
Sheep Creek Gold	.01½	15	28,125
Sigma Mines	.30s	27	200,000
Sylvanite Gold	.03q	2	98,985
Ventures	*.10	6	157,395
Wr. Hargreaves	.05	2	275,000
Preston E. Dome	.03q	15	90,000
Proprietary Mines	.05	8	45,975
Total			9,963,785
Oil Companies			
Brit. Amer. Oil	.25q	2	693,160
Canadian Oil, 5% pf.	1.25	2	25,000
Do., 8% pf.	2.00q	2	20,000
Davies Pete.	.01	20	184,999
McManus Pete	.30	2	4,610
McColl-Fron. pref.	1.50q	15	114,165
North Star Oil, p.	.08¾	2	17,500
Supertest Pete., c. ord.	1.00	2	110,000
Do., (B) pref.	.75s	2	5,880
Total			1,175,314
Financial			
Can. Life Assur.	5.00q	1	50,000
Can. Perm. Mortgage	2.00q	2	140,000
Candn. For. Invests.	.75q	2	55,062
Can. Gen. Invest.	.15q	15	90,068
Central Can. Loan	2.00q	2	50,000
Chartered Trust	1.25q	2	12,500
Can. Fire	2.00s	2	40,000
Can. Indemnity	4.00s	2	20,000
East. Can. Savings	1.50q	3	11,250
D. & Anglo Inv.	3.00a&2.50§	15	57,500
Guaranty Trust	1¼%q	15	7,562
Guelph & Ont. Inv.	1.25s	2	24,130
Great West Life	3.75q	†2	37,500
Halifax Insurance	.40s	2	80,000
Huron & E. Mtge.	1%q	1	50,000
Indust. Mortgage	1.25	2	15,875
Guelph Trust	1.25s	2	7,562
Lambton Loan	1.50s	2	23,692
Manufacturers Life	6.00s	2	90,000
Midland Loan	.40s	3	14,400
Monarch Life	6%	1	20,826
Mtl. C. & D. Bank	.35q	2	70,000
National Trust	2.25q	2	62,500
Ont. Loan & Deb.	1.25q	2	50,000
Sun Life Assur.	3.75	1	75,000
Sterling Trusts	2.00s	2	16,080
Tor. Gen. Trusts	1.50	2	37,500
Toronto Mortgage	1.25q	2	24,662
Traders Finance, pf.	1.12½q	2	33,750
Victoria Trust	1.25q	2	11,562
Western Ass. 12% pf.	1.20s	2	18,000
Total			1,297,001
Grand total			28,823,538

q—Quarterly.
s—Semi-annually.
a—Annually.
■Initial. *Net after corporate income tax. ▲On arrears. †N. Y. funds.
*Subj. to appr. F.E.C.B.
‡Participating divd.
♦On redemption.
§Extra.
z—For period May 1-June 30.

LAKE FORTUNE GOLD MINES advises that June 22 option installment under agreement with Doherty Roadhouse & Co. has not been exercised and balance has been terminated for default. There are no further options outstanding.

LAUDER RED LAKE MINES says a program of 20,000 ft. of diamond drilling is expected to get under way at once.

STEWART PHILP

elected president of Grafton & Co., Dundas, Ont., is a grand-nephew of J. B. Grafton, who founded the business 93 years ago.

B. of M. Renews Foreign Contracts

MONTREAL (Staff)—Re-establishment of contacts with European correspondent banks is the prime purpose of a flying trip to London and the Continent made this week by John F. H. Turner, assistant supervisor, foreign department, Bank of Montreal, and former WPTB cotton controller. He will also study the possibility of furthering Canada's international trading position.

Mr. Turner after a week's stay in London will visit France, Switzerland, Belgium, Holland, Denmark, Norway and Sweden, returning to Canada in September. He is accompanied by Gilbert Rheaume of the bank's head office.

Managed Investment

Recent Issues Purchased For Compton Portfolio

As a result of stock "switches" Compton's expected annual income has been boosted by $17.50 to a new high of $535.85. A profit of $368.25 was realized on the sale of 25 shares of Consolidated Paper—$4.50 on the $100 Dominion of Canada bond.

Transactions

Purchased

No. of Shares	Security	Cost Price	Gross Cost
10	Montreal Locomotive Works (c.)	$21.50	$217.50
25	E. B. Eddy Co. (pf.)	22.00	550.00
			$767.50

SALES

No. of Shares		Selling Price	Amount
25	Consol. Paper (c.)	$23.00	$568.25
$100	Dom. 3% bonds 1956-59	104.50	*105.83

*Includes accrued interest amounting to $1.33.

Compton's Manager Says

Purchase of 10 additional shares of Montreal Locomotive Works common stock—which brings Mr. Compton's investment in this company to $630—was recommended by Mr. Compton's adviser because he feels that the shares will likely show further appreciation. According to The Financial Post of June 1, the company has a substantial volume of business on its books.

Additionally, Mr. Compton applied through his broker for 25 shares of E. B. Eddy Co. preferred stock and was allotted 25 shares.

The purchase was recommended because of the diversified activities of the company and the good prospects that the shares will appreciate. A further reason for the purchase of E. B. Eddy preferred shares is that the stock is convertible into common stock on the basis of one common for each preferred share.

Sale of the balance of Mr. Compton's holdings of Consolidated Paper Corp. common stock was recommended because his annual income was increased thereby, and because there may be better chances of further capital appreciation in the shares purchased on the "switch."

As between Dec. 15, 1944, when Mr. Compton's account was taken over and June 14, 1946, the following is the broad change in the position:

The Compton Fund Now Stands

	Dec. 15, 1944 Principal Sum	Dec. 15, 1944 Annual Rate of Income	June 14, 1946 Principal Sum	June 14, 1946 Annual Rate of Income
Bonds	....	.....	$4,426.88	$132.00
Preferred stocks	$925.00	$45.75	4,181.25	239.00
Common stocks	6,661.25	284.00	3,492.25	164.85
Mining stocks	1,750.00	64.00	....	.....
Cash	663.75	.....	8.65	.....
	$10,000.00	$393.75	$12,109.03	$535.85

NAYBOB (1945) GOLD MINES says that shaft dewatering has reached 200 ft. Third diamond drill hole has been completed at 1,130 ft. in southeastern part of property where an ore zone was reported by earlier drilling. Assays are being run. Hole No. 4 has reached 835 ft. As at May 31 company reported $92,242 cash and $75,000 in bonds.

KENRIDGE RED LAKE MINES is reported negotiating with Inspiration Mining & Development for a diamond drilling program on its 12 claims in Balmer twp., Ont. Initial hole in the proposed 12,000-ft. program will be put down in southwest corner of the property.

D. N. KENDALL

has been appointed managing director of Photographic Survey Co.

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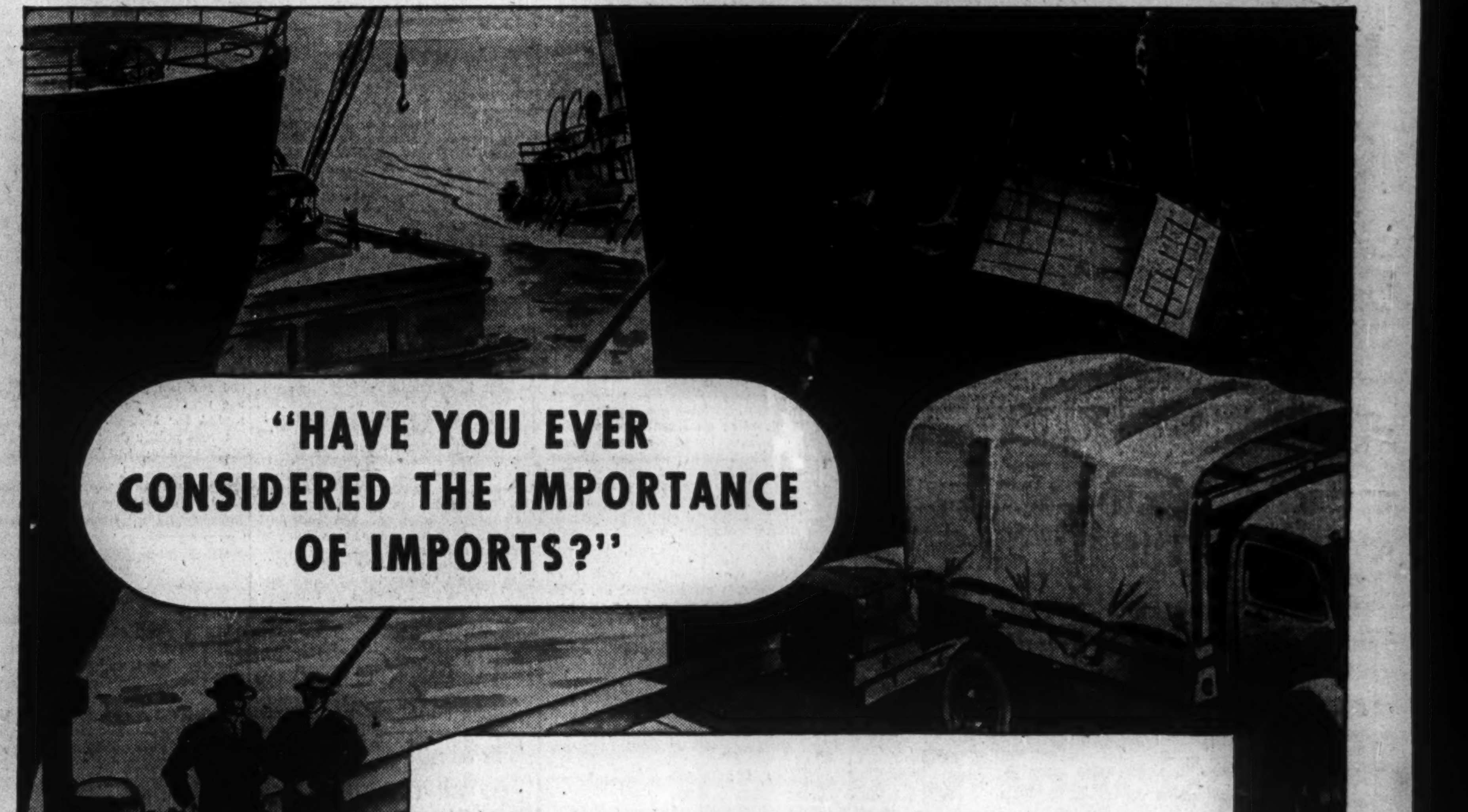

WE ARE are a selling-minded nation. It is second nature to think in terms of *selling* goods abroad. But have you ever considered the importance of *buying?*

Can you think of a single item we can make for sale abroad without *buying* something to aid in producing it? Take even the most obviously Canadian products. Paper needs sulphur, fruit needs sugar, textiles need silk or cotton, canned goods need tin, sardines need olive oil . . . these and many more, which would fill a book.

And then, there is the question of "stuff for stuff"—the basic purpose of foreign trade.

For this reason, your Foreign Trade Service has an Import Division, to aid you in buying raw materials from other countries. This is the first complete governmental agency of its kind.

If your firm needs to import something, we can advise you where to get it, who makes it, and many other details you may need to know. If special information is required, Trade Commissioners in 29 countries are at your service.

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WRITE TO THE FOREIGN TRADE SERVICE

Department of Trade and Commerce
OTTAWA — CANADA
HON. JAMES A. MACKINNON, Minister — M. W. MACKENZIE, Deputy Minister

The Financial Post

Vol. XL | Ten Cents an Issue, Five Dollars a Year | Publication Office: Toronto, July 6, 1946 | Member of Audit Bureau of Circulations | No. 27

Ilsley's First 'Generous' Budget Gets Chill Reaction from Business

Perhaps the tersest business comment on the budget is this one: "Mr. Ilsley can't get his foot off the brake."

That sort of comment has come from almost every branch of business, from many individuals.

Business welcomes the establishment of a tax appeal board, approves the taxation of farm and fishery income on a three-year sliding scale, is gratified that some recognition has been given the newly producing gold mines.

But in a budget whose preamble is devoted to the need for increased production, why, it is asked, should the tax brakes be kept on?

Archaic Base Period Stays Another Year

Focal point of the criticism is the continuation of Excess Profits Tax, not only because of the high rates, but because it ties earnings to the almost archaic 1936-39 "base period,' discriminates against the growing younger corporation. The fact that sole ownerships and partnerships have been completely relieved of EPT, is regarded as additional discrimination against the corporate form of business. Finally, the new rate of taxation of 30% for earnings under 116 2/3% of standard and 45% for earnings above that limit looks far from generous in comparison with the flat rate of 38% for United States corporations. The fact that provincial taxes will probably boost the Canadian rates to 35% and 50% adds to the contrast.

Co-operatives Still The Favorite Sons

Nor are many businessmen impressed with the method of taxing co-operatives. The way is still clear for flagrant abuse of the patronage dividend system, it is felt. And the method by which co-operative income is to be taxed is regarded as virtually no taxation at all. Taxable income is to be taken at 3% of employed capital, from which interest paid on the borrowed capital can be deducted. A co-op with half its capital borrowed at 6% would apparently pay no tax at all, regardless of profits.

And mining men point out that while a young co-op gets a complete three-year exemption from even these light taxes, a new gold mine only gets a 50% cut in its tax for three years.

Putting a Tariff Against Our Own Industries?

From the merchandising point of view, the greatest anomaly in this "boost production" budget is the continuation of the special war excise luxury taxes, " a Canadian tariff against Canadian industry." In radios and automobiles, it is felt that the 10% taxes levied will do little to slow sales of these extremely scarce commodities for some time. But it is regarded as unfortunate that this tax should be retained on radios at a time when prices have to be boosted anyway. Why not cancel the tax as a means of giving price relief is one view.

For some other commodities, the excise barrier to sales is regarded as more serious. Many lines of cosmetics and jewellery are well past the scarcity period, some are even reported to be running into slow sales. Yet these industries, which have attracted a large number of newcomers, still have to sell their goods over a 25% excise wall.

Do Married Workers Rate a Tax Break?

As far as personal income taxes are concerned, the reactions have been generally favorable, the principal criticism being that the tax cuts might well have been made before the end of the year and that the reduction in taxes might have been more generous. On the other hand, it is admitted that the new tax rates and methods of collection are simpler, fairer, and offer a greater incentive for advancement. It is far more worth a man's while to get a boost in pay than it has been for many years.

Most controversial point in the personal taxes is the new levy on working married couples. For such a pair, each earning $2,000 a year, the combined tax has gone up $176 a year, leaving them take-home pay of $3,260 against $3,436 for 1946. Working couples argue that they need the tax benefits, since they frequently employ housekeepers (an extra cost which they cannot deduct from taxes), and feel that the loss of the old tax advantage will deter married couples from working which is as essential as that of single persons.

As to the new method of making allowance for dependents, most business comment is favorable. It is agreed that the new way will be simpler and perhaps more equitable, although there are occasional objections to being forced to accept "charity" in the form of the family allowance. Also objected to is the fact that the allowance is reduced when the dependent passes his sixteenth birthday. Under this system a man with two children and $2,000 income would automatically be $76 poorer after the two reached 16. Since this is about the age for starting college, the new arrangement prompted one businessman to comment: "Mr. Ilsley is apparently trying to subsidize illiteracy!"

Why Ilsley and Taxpayer Are at Loggerheads

Yet in presenting his budget, Mr. Ilsley talked as though he were being generous. Why have business and public been so cool to the changes?

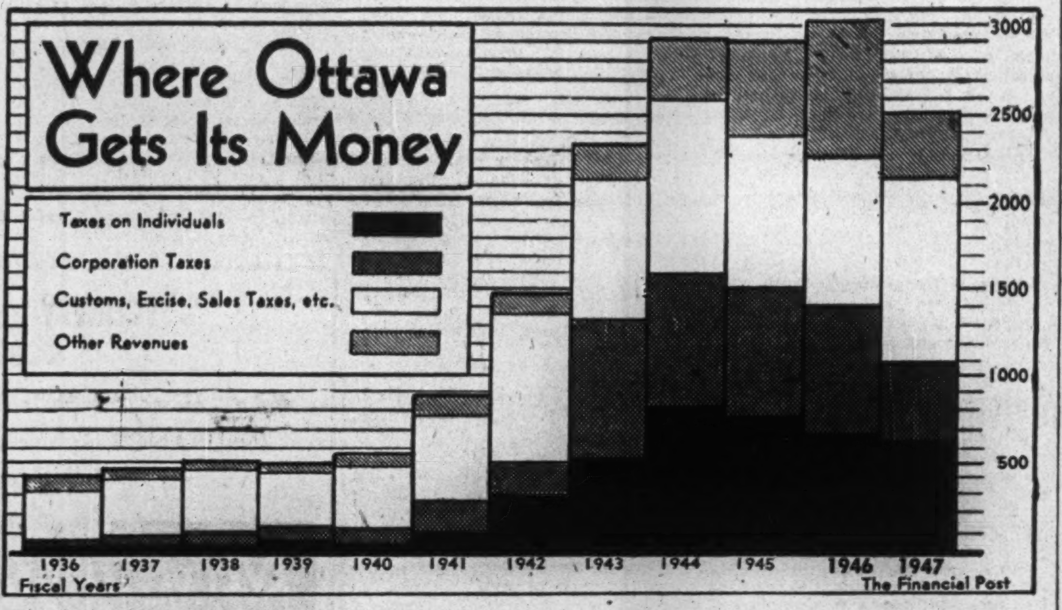
Perhaps the best answer for the divergence of view is that they're not looking at the same things. The taxpayers see many of their best-hated levies kept up almost a year after the end of the war. But Mr. Ilsley is looking at two other things—the spectre of inflation, and the fact that he has to find a billion dollars in cash, over and above his budgeted expenditures, to back this country's loans to Britain and other countries. Perhaps also, Mr. Ilsley is still attempting "cycle budgeting," keeping the taxes heavy in good times, lightening them in bad. If this is the case, the new taxes don't look heavy enough, since Mr. Ilsley expects to pump nearly $1.3 billions of money into the economic stream before next April—that being the size of his estimated over-all cash deficit.

Looked at from the viewpoint of a nation which has been going into debt at the rate of two to three billions a year, it might be argued that little or no tax relief was justified. But viewed from the angle of a budget deficit which will drop by almost two billions in this present fiscal year, something better than was given, might well have been expected.

Thus, last year (1945-46), after inclusion of the $425 millions written off on the Air Training Plan, the Federal Government will report a deficit of $2,159 millions. In 1946-47, and even after allowance for tax reductions announced in last week's budget, the anticipated budget deficit is reduced to $297 millions.

In face of this very striking improvement in the Government's budget position, vis-a-vis the war years, Mr. Ilsley's announced tax reductions will cost the Government only $40 millions for the present fiscal year.

The ten-year record of federal budgets is shown below. In addition to the budget deficit as shown in the public accounts, a further figure of "cash deficiency" is shown in the right hand column.



The federal government plans to raise $2,105 millions in taxes in the present fiscal year. This is only $170 millions or 7.7% less than was raised in taxes last year.

Total revenue from all sources last year was just under $3 billions. But Mr. Ilsley admits that this is a very conservative figure; that it may be substantially improved by "special receipts" such as recovery on sales by War Assets. (WAC sales are currently running in excess of $20 millions monthly.)

Last year, in addition to tax and other revenues, Mr. Ilsley got a "windfall" of $310 millions from Munitions Production Allotment Fund. This represented mainly the return of working capital advances from "pre-financial" plants. In addition there was $45 millions in revenue from War Assets: $55 millions for authorization of Government capital on War Supplies Ltd. contracts; $50 millions from the operation of Park Steamships Ltd., and $22.6 millions of net profits from the C.N.R. In all, these "special receipts" in 1945-46, brought in no less than $593 millions. Since Mr. Ilsley had only budgeted for $100 millions of revenue from this source, he was almost $400 millions to the good. For 1946-47, Mr. Ilsley is budgeting for $200 millions of "special receipts"; admits the total may, again, be considerably higher.

TEN YEARS' FEDERAL BUDGETS
(In Millions of Dollars)

Years End. Mar. 31	Budget Expenditure	Receipts	Budget Deficit	Overall Cash Deficiency‡
1938	534	517	18	†
1939	553	502	51	†
1940	681	562	119	282
1941	1,250	872	378	935
1942	1,885	1,489	396	1,232
1943	4,387	2,249	2,138	2,845
1944	5,322	2,765	2,557	3,066
1945	5,246	2,687	2,559	2,955
1946	5,116*	2,957	2,159	2,452
1947	2,772	2,475	297	1,297

†Not available.
*Includes $425 millions write-off on Commonwealth Air Training Plan.
‡Budget deficit plus capital expenditure, loans, advances, etc.

Will Garson Switch Jobs Run for Portage Seat?

From Our Own Correspondent

WINNIPEG—Rumors that Premier Stuart Garson has his eye on Ottawa and that Ottawa has its eye on him were revived and given added zest this week as Manitoba Liberals got ready to nominate a by-election candidate for the Federal constituency of Portage la Prairie. The election is expected to be called late in October or November.

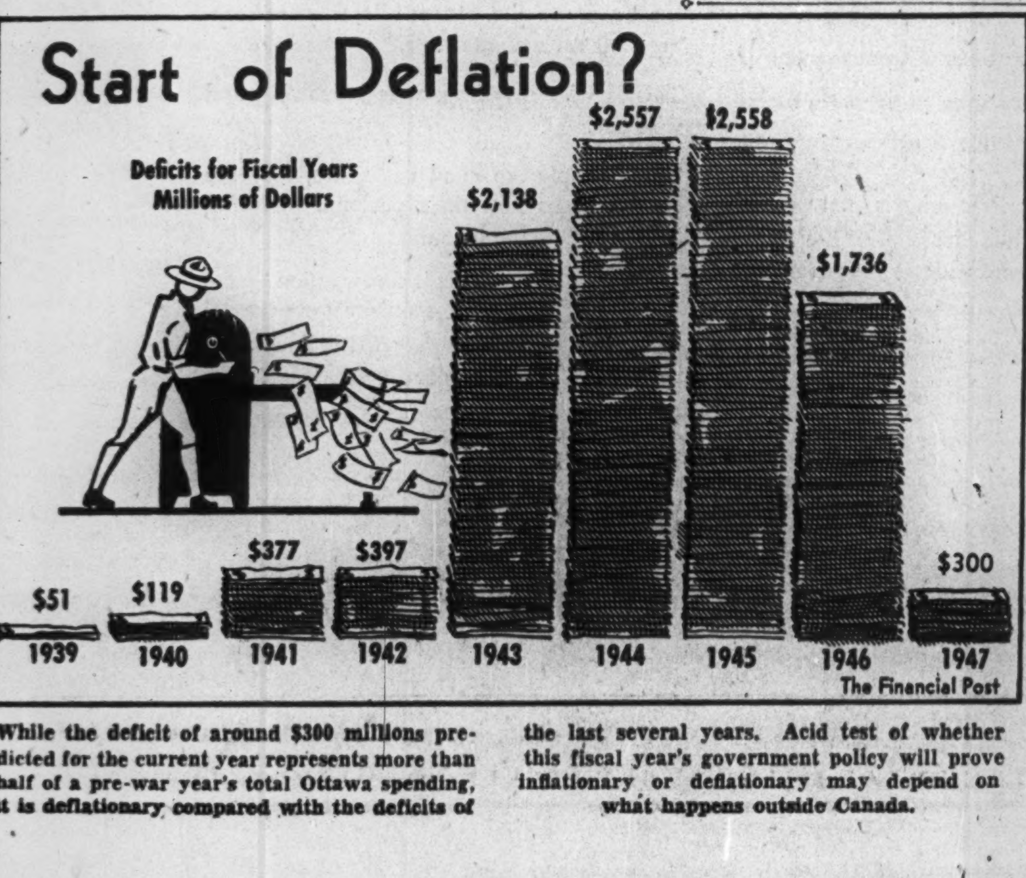
Speculation centres on the possibility that Garson may choose this avenue to the federal house in answer to overtures said made to him by Ottawa since early 1945. He is mentioned as one of three possible candidates by Liberal spokesmen. The others are D. L. Campbell, provincial minister of agriculture, who has just returned from a two-month trip overseas, and Geoffrey Wood, an Oak Lake farmer prominent in Manitoba agricultural organizations, who might have the call if Mr. Garson declines.

Mr. Campbell represents Lakeside in the provincial house. It is part of the federal riding of Portage la Prairie. If he has not already been asked to stand as candidate, he will be, and there is no doubt that if he says yes, he can have the nomination. The present guess is that he will say no.

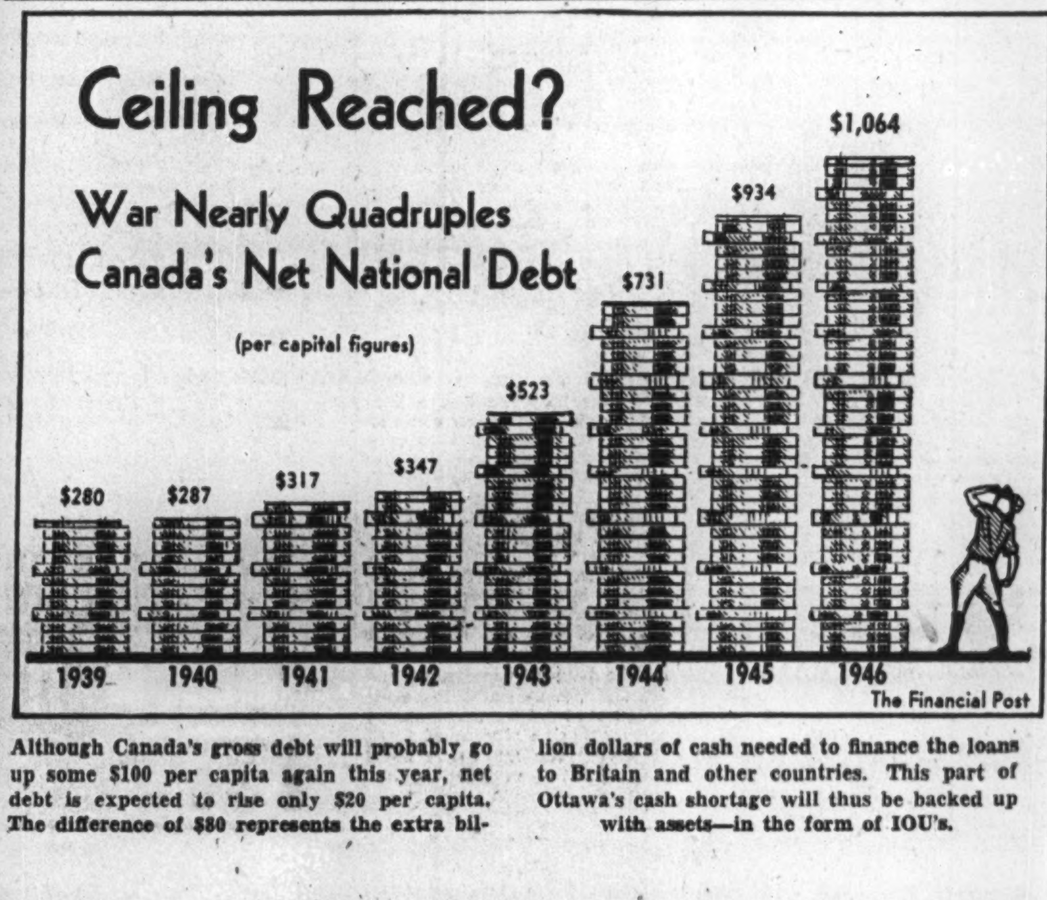
Premier Garson, at time of writing, has not been approached, but nobody is forgetting that Ottawa emissaries began urging him early in 1945 to come east. At that time his response was negative and he gave two reasons (1) that the coalition government's united war effort, begun in 1940 under Premier Bracken, was a thing he could not abandon with the war still in progress; (2) that settlement of Dominion-provincial relations was still in the air.

Although the picture has changed in some of its details during the last year and a half, he has stuck to his stand that he will not leave Manitoba until the issues which motivated coalition are brought to finality.

With end of the war, one has been disposed of. With Finance Minister Ilsley's budget offer of a new tax agreement to provinces willing to accept it, there seems possibility of settlement of the other. At least that is the argument of those trying to persuade Mr. Garson to go to Ottawa.



While the deficit of around $300 millions predicted for the current year represents more than half of a pre-war year's total Ottawa spending, it is deflationary compared with the deficits of the last several years. Acid test of whether this fiscal year's government policy will prove inflationary or deflationary may depend on what happens outside Canada.



Although Canada's gross debt will probably go up some $100 per capita again this year, net debt is expected to rise only $20 per capita. The difference of $80 represents the extra billion dollars of cash needed to finance the loans to Britain and other countries. This part of Ottawa's cash shortage will thus be backed up with assets—in the form of IOU's.

Tourists Are Everybody's Business

Michigan Sets an Example for Canada In Selling State Attractions to Visitors

By ROBERT R. ROBINSON

GRAND RAPIDS, Mich.—When it comes to tourists, Michigan has the goods and she sells them on a $400-millions-a-year scale. She packages her 10,000 lakes, her five million acres of state-owned land, her 1,624 miles of Great Lakes shoreline, into one of the slickest bargain boxes offered visiting Americans anywhere. The State of Michigan's tourist organization and her promotion methods would be a first-class model for the bigger Canadian tourist business now a-building.

Keystone in the arch through which stream scores of thousands of motorists from neighboring Illinois, Ohio, Indiana, Wisconsin, from states farther afield, and from Canada (just 2.8% of the total from the latter) is the Michigan Tourist Council. The Council was created by the 1945 Michigan Legislature. Its creation amounted to official recognition of the ranking importance of tourism similar to that conceded the industry in Ontario last April when the province made Travel & Publicity a cabinet portfolio.

In sharp contrast to Canada's disjointed tourist organization—there is no official linking of the Canadian Travel Bureau at Ottawa, provincial government tourist departments or bureaus, and regional or local associations—is the direct governor-to-community chain of authority through the Michigan Tourist Council. Yet Michigan is so like much of Canada with its magnificent vistas of lakeshore, rich forest and fish-filled northern rivers that the land itself and the people—both might pass for Canadians—make the comparison a natural one. Michigan rates tourism among its top three industries, exchanging leadership over the years with manufacturing and agriculture; and a look at the state's setup shows why and how it got that way.

Tourist Council Makeup

By Senate Enrolled Act. No. 60 the MTC comprises nine members—the secretary-managers of the state's four regional tourist associations (Upper Peninsula Development Bureau, West Michigan Tourist & Resort Association, East Michigan Tourist Association, Southeastern Michigan Tourist & Publicity Association) and five members appointed by the governor from nominations made by these regional associations. An effort to provide continuity of administration and to avoid direct political interference is made by the stipulation that each of the five appointees hold office for five years, one expiry and one new appointment occurring each year. Of the first five appointments, one was for a single year, the second for two, the third for three, etc., to get the system rolling. All MTC members "shall serve without compensation or expense allowances of any kind."

In practice, the unwritten rule is that appointments shall be guided by the principle of equitable distribution across the state's regions and across its industrial and business life. Here's how the present council looks on that score:

W. G. Armstrong, State Grange Master, southwestern Michigan.

W. S. Woodfill, president, Grant Hotel, Mackinac Island, northern Michigan.

Lee W. Hutchins, president, Hazelton & Perkins Wholesale Drugs, western Michigan.

P. L. Radcliffe, general traffic manager, Great Lakes Greyhound Lines, eastern Michigan.

W. Webb McCall,, publisher, Isabella County Times-News, central Michigan.

Regional organization had a headstart in Michigan where three regional development bureaus came into existence as far back as 1921. These grew out of the state's agricultural department, into a Department of Conservation, charged with custody of natural resources, administration of the state's public domain, management of state parks and forests, maintenance of game and fish supply, enforcement of conservation laws. In 1929 the first state appropriation was made, through the three regional groups plus the southeastern area around Detroit, directly in the interests of tourist promotion. Top appropriation during that 1929-45 period was $125,000, just half today's annual total. Until Act No. 60 last year, the tourist industry, despite its fairly advanced organization, had to go cap in hand in search of political and financial support. Today it has full agency status, co-operating as an equal with other government departments.

More like deluxe travel magazines than conventional tourist promotion pieces are the elaborately illustrated year books prepared by Michigan's regional tourist associations. Other special books give fishermen, hunters, canoeists complete state data.

Support from the Community

Further pointing up the industry-wide support given tourism in the peninsular Wolverine state is a breakdown of contributions made to the East Michigan Association by businesses directly and indirectly concerned. Retailers put up 28% of $45,000 added voluntarily to the EMTA budget; hotels, tourist resorts auto courts, etc., and restaurants 20%,, wholesalers 18%, civic organizations 14%, transportation companies 6%, banks 2%, professional men 1%, real estate and insurance men 1%; others, including power and telephone companies, newspapers, radio, theatres 10%.

A maximum of $25,000 a year "for advertising the advantages of its region" is to be made available to each regional association by the state council under terms of the Act Payment can be authorized by the council up to 80% of the amount shown by receipted vouchers for advertising costs, and under the $25,000 limit; but "none of the funds in this section . . . shall be used to compensate any officers or employees of the association for salaries or expenses."

How Much They Pay

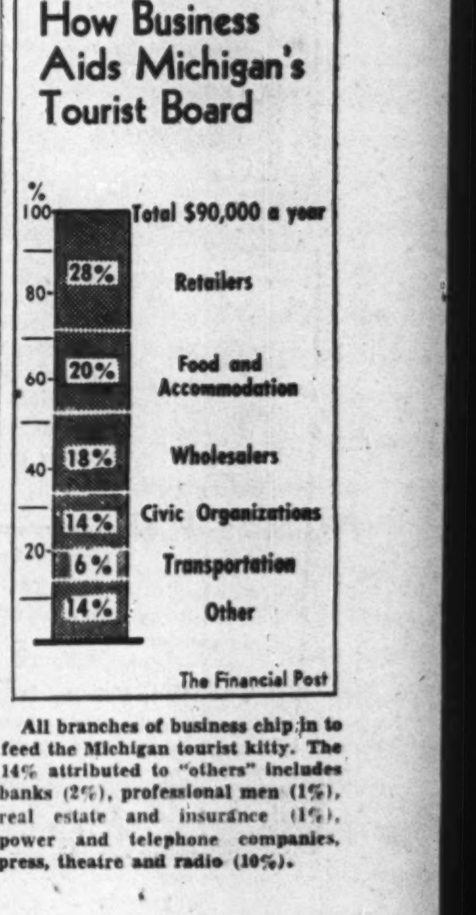
In practice, the Legislature votes an annual appropriation of $250,000 for MTC use, and, of this, $22,500 has so far gone to each of the four regions. In each region, local memberships make up at least a matching sum. Standard membership fee in the West Michigan Association is $25; associate membership (held by very small operators of tourist homes and other "coat-tail riders") is $10. Memberships paid by large department stores and others with demonstrably big profits from the tourist trade run as high as $1,500 each. These bigger sums are not arbitrary, are settled upon by mutual agreement. Total membership revenue in West Michigan this year is about $25,000.

After making grants to the regional associations, the central MTC spends its remaining $160,000 a year on advertising the state as a whole from coast to coast in national media, and in keeping up four personal service offices in Cleveland, Chicago, Detroit — three principal sources of Michigan tourist revenue —and in the state capital, Lansing. For their part, the regional advertising programs stick to boosting their own stock through local newspapers and radio and direct mail. In the co-ordination of this advertising onslaught, covering near and far fields alike, lies a chief advantage of the central and regional authority setup. Gaps and overlapping alike are avoided.

Standard Regional Books

Major item on regional budgets is the glamor-loaded year book put out by busy secretary-managers in each region. Rich in color, these printed travelogues are filled with photographs of restful Mackinac Island (as free of automobiles as pre-war Bermuda), the Pictured Rocks at Munising, Henry Ford's Greenfield Village outside Detroit, Isle Royale National Park in Lake Superior, of the Monistee and Muskegon and a thousand other rivers, of literally every nook and cranny

(Continued on page 14)



All branches of business chip in to feed the Michigan tourist kitty. The 14% attributed to "others" includes banks (2%), professional men (1%), real estate and insurance (1%), power and telephone companies, press, theatre and radio (10%).

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IN YOUR OPINION

Curb Traffic Death Toll!

The Question: What, in your opinion, are the chief factors in traffic fatalities; and what the most effective remedies?

W. C. BUTLER, Manager, Pearl Assurance Company, Toronto

The traffic fatalities, in my opinion, are caused in most cases by wilful disregard of pedestrians for the rights of anyone else. They refuse to obey the signal lights, they jaywalk and come out from behind streetcars and parked automobiles with impunity. With the motorist I believe the fault in most cases is excessive speed in relation to the conditions under which he is driving.

I believe in a more effective financial responsibility law to curb the motorist and a police enforcement campaign to teach pedestrians and cyclists they must do their part to help to reduce accidents and deaths on our streets and highways.

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FRED M. CAIRNS, Vice-chairman, Niagara Parks Commission, Niagara Falls, Ont.

Impatience is the chief cause of accidents; it has become a hazard to life, equal in importance to malignant disease. It results in the pedestrian stepping off the curb, crossing against a red light and crossing at places other than intersections. It causes drivers to take a chance, pulling out of and cutting in on traffic lines, beating traffic signals, cutting corners, making left hand turns without the proper signal and continuing under dangerous conditions such as fatigue. The most effective remedy is strict enforcement of traffic regulations as they apply to pedestrians and drivers alike, with special attention given to repeat offenders.

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W. N. CORBETT, Townsites and Insurance Manager, Abitibi Power & Paper Co., Toronto.

The cause of traffic fatalities in my opinion is thoughtlessness and disregard for traffic regulations. Two predominating features are necessary. First, a country-wide educational campaign to develop a common sense, safety-first state of mind in all citizens regardless of age; such a campaign to be continuous, not spasmodic, through all school grades. The radio and press should be backed by service clubs, industrial groups and all public organizations. Second, enforcement of all traffic laws—which might require additional policing and assistance of the public thereto.

W. H. CARTER, President & General Manager, Winnipeg Electric Co., Winnipeg.

Chief causes of traffic fatalities lie in the neglect of the three "e's" of safety: education, engineering and enforcement. Postwar increases in motor vehicle and pedestrian traffic make remedial action more urgent than ever. Educational activities must take advantage of all media to promote safety consciousness among the public so that all people will look upon accidents as a public disgrace. Engineering activities must produce sound street planning aimed at orderly movements of traffic, elimination of unnecessary hazards and reduction of congestion. Intelligent traffic control legislation must be enforced by adequate police departments.

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J. W. CORNETT, Mayor of Vancouver, B.C.

You have asked the $64 question, for which there will be as many replies as persons replying. The city traffic engineer thinks excessive speed is the chief cause of accidents and he believes the remedy lies in amendment to the Criminal Code, which would enable the police to lay charges other than that of dangerous driving as they are now compelled to do. Hesitancy to lay a charge under the present code results in many minor infractions going unpunished Some maintain that tendency of juries to reduce charges in manslaughter cases is also a factor in keeping up the traffic accident toll.

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W. E. P. DUNCAN, Chief Engineer, Toronto Transportation Commission.

The chief causes of such accidents is personal lack of judgment and a careless attitude on the part of drivers and pedestrians alike, who neglect to keep in mind constantly what may happen through their own inattention or that of others.

The only effective remedy is by every known method to instill in the minds of all of us, our responsibility for our own safety and that of other users of the highways.

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GEORGE H. DOUCETT, Minister of Highways for Ontario.

Recklessness, inattention and impatience are among the basic causes of all traffic accidents. Prosecutions and severe penalties for the limited number of those guilty of reckless driving are imperative. Education through increased police supervision is necessary to improve driving habits of a large proportion of motor vehicle drivers. Pedestrians, bicyclists and streetcar operators are not without blame.

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DR. E. G. FALUDI, Managing Director, Town Planning Consultants Ltd., Toronto.

Three reasons for traffic fatalities are:

1. The driver is not efficient, or is in poor physical or mental conditon.

2. The car is not in good working order or is defective in some way.

3. Routes or roads are not adequate to carry traffic.

Remedies are:

1. Driving tests must be more severe. Any accidents should be notified to police by persons involved or by insurance companies for close investigations.

2. Car licenses should not be given unless a car is checked according to safety standards as they do in Europe.

Three short term remedies are: (a) flexible type of vehicle, bus or truck, should be diverted on one way routes (b) parallel traffic routes should be used to replace main traffic routes (c) eliminate street parking by providing off street parking space publicly owned (d) widening of pavements. Long term remedies are (a) widening of streets (b) providing bypass highways so that through traffic will be diverted from the centre of the city (c) providing limited excess highway below normal street level.

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D. B. GREIG, President, Ford Motor Co., of Canada, Windsor, Ont.

The human element is one vital factor which engineers will never be able to build into a motor vehicle. Even the finest and most fool-proof automobile can be turned into an instrument of death by a split second of inattention on the part of the driver, by a simple error in judgment or by downright carelessness. Owners' neglect of such important items as brakes, lights and steering mechanism can be as deadly as reckless driving.

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E. D. GRAY-DONALD, Chief Engineer, Quebec Power Co., Que.

Disregard of traffic regulations and common sense safety rules by both drivers and pedestrians, are a major cause of traffic fatalities. Further causes are improperly trained drivers and unsafe equipment. The most effective remedial measures would consist of rigid enforcement of existing traffic regulations together with road checks on vehicles. These should be combined with an intensive public educational program through newspapers and magazines and particularly moving pictures, to inform people as to what the regulations are and how they are designed to protect the public, to show common faults in driving and how to cure them, to show pedestrians how to avoid accidents and to arouse the public to a consciousness of the appalling and unnecessary loss of life due to road accidents.

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WARREN B. HASTINGS, Editor, Canadian Motorist, Toronto

Inattention because of inadequate awareness of hazards, because in turn, of an illusory sense of security on the part of pedestrians and drivers alike, is indicated to be the chief cause of traffic accidents by all comprehensive studies of them. Progressively the faults are being engineered out of vehicles and the physical hazards out of streets and highways and it is to be hoped this salutary process will be greatly accelerated. But were vehicles and traffic arteries practically perfect, traffic casualties would be reduced by only a fifth or so, if the behavior of pedestrians and drivers as such remained "as is."

Statistics indicate that in most traffic accidents in which pedestrians are injured, the fault is the victim's. Yet concerted, sustained action has yet to be taken to guard pedestrians from walking, anarchistically, as they please

The maxim, "Eternal vigilance is the price of safety," has been dismissed as a counsel of perfection. Nevertheless a closer approximation of it in practice, by drivers and pedestrians alike, must be achieved, if the highly complex traffic-safety problem is to be significantly mitigated. Safety, like peace, is the positive, not negative, dynamic, not static, business of everyone.

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W. M. NOBLE Secretary, Canadian Automotive Transportation Association, Toronto

Canadians are living and moving on tension, the majority in a hurry and nervously tense. Many are preoccupied when driving and walking on the highway. Use of the highway by vehicle operators or pedestrians requires undivided attention to traffic. Until new equipment is released by auto and truck manufacturers, much equipment being used is not up to necessary safety standards. Much should be scrapped. I advocate a national safety campaign through press and radio, sponsored by Dominion and provincial governments and a systematic check by government inspectors of equipment and drivers before and after licenses are issued.

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TRAFFIC OFFICER VERNON PAGE, in charge of safety program, Toronto police dept.

Main causes of traffic accidents and fatalities are: Excessive speed, under adverse weather or traffic conditions; lack of judgment as to stopping distance, speed, etc.; driving under the influence of liquor; disregard by pedestrians of traffic laws.

We advocate stiffer driving tests, including a written examination on the Highway Traffic Act; stiffer penalties for traffic violations; revocation of license for a year, after three violations of traffic laws in one calendar year; a year's suspension of license for all drivers involved in accidents or traffic violations, where liquor is a factor; an educational program in schools; a traffic school for minor violators, with license suspension for those who do not pass; a strict anti-jaywalking law for pedestrians.

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J. E. RENAUD, Secretary, Quebec Automobile Club.

Ignorance of traffic dangers and indifference to safety measures are the principal causes of highway fatalities. Education of drivers is the most effective remedy. Such education should be conducted nationally, starting in high schools. Canada's first need is safety driving, training professors and schools if we really want to reduce accidents and make highways relatively safe.

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GEO. W. SAWIN, President, B. F. Goodrich Rubber Co. of Canada, Kitchener, Ont.

In my opinion, the following are the chief causes of traffic fatalities:

1. Careless driving and disregard of traffic laws.—Remedy: safe driving publicity, and more rigid enforcement of traffic regulations.

2. Mechanical defects, due to the large number of old cars now in service. This condition will be greatly improved as new cars become available and repair service becomes easier to obtain.

3. Tire failures, due to the many unsafe tires still in service as a result of wartime tire shortages. Publicity by tire manufacturers and availability of new tires will greatly help to improve this condition.

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R. A. STAPELLS, President, Canadian Automobile Association, and Vice-president, J. J. Gibbons, Ltd.

Observance of traffic rules, maintenance of motor vehicles in safe condition and exercise of constant vigilance are the chief factors in safety on the streets and highways. Disregard of these factors is the principal cause of traffic accidents and fatalities. Walking safely is as important as driving safely in preventing accidents and pedestrians as well as motorists must be constantly on the alert if the traffic toll is to be substantially reduced.

The public authorities and public service organizations can do much to improve existing conditions by promoting educational work in the schools and through the press, motion pictures and radio. The Ontario Safety League has carried on for years a splendid educational program in the public schools throughout Ontario.

Strengthening of police forces controlling traffic to supplement educational efforts, is also essential to the proper regulation of traffic and curtailment of accidents. Finally, observance of the Golden Rule

(Continued on page 14)

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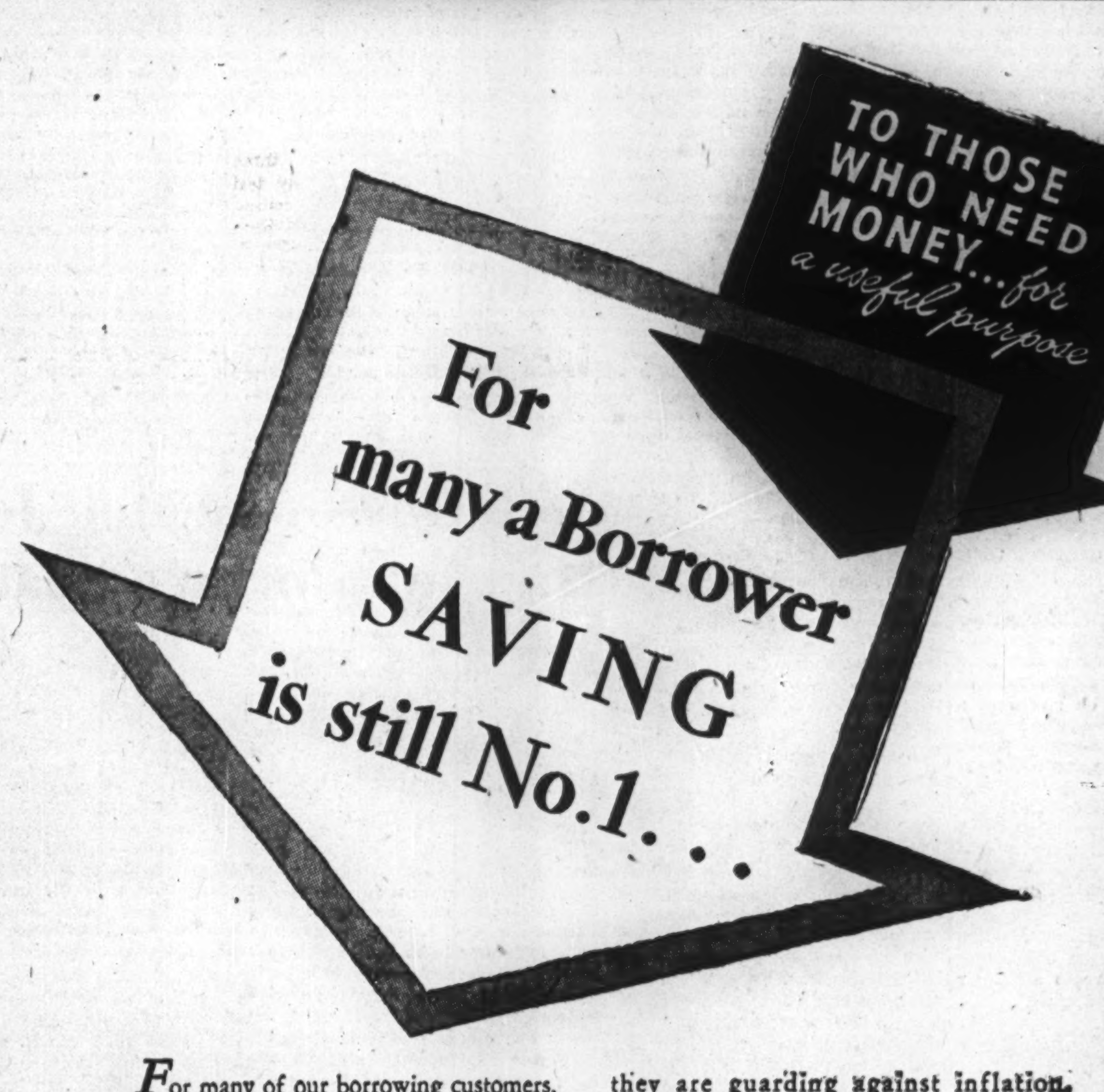

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MCKENZIE RED LAKE GOLD MINES reports election of H. G. Young, Toronto, as president and managing director. Other directors elected were A. C. Snively, G. Scott, J. L. Ramsell, H. W. Knight, J. A. McDougald and Senator G. Peter Campbell. The latter two directors were elected to fill vacancies created by retirement of J. Bradley Streit and C. A. Gentles.

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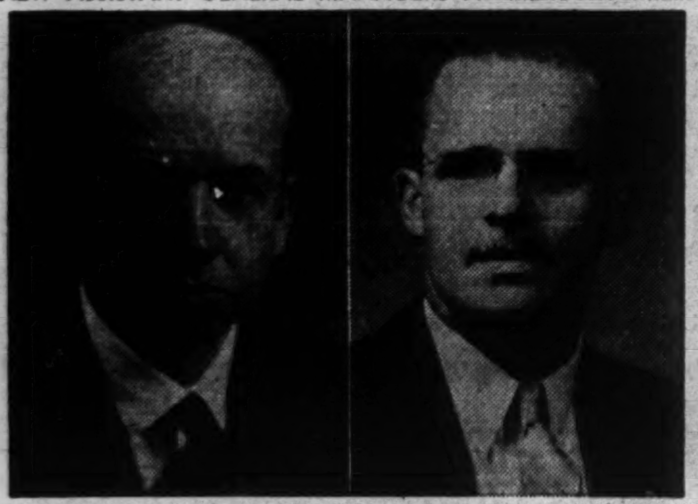

JAMES A. ROBERTS D. A. PAGE

Brigadier James A. Roberts, D.S.O., has recently returned to Canada after five years' service overseas with the Canadian Army, during which time he commanded an infantry brigade for many months during the campaign in Normandy and Northwest Europe. In his new position Mr. Roberts will be responsible for the co-ordination of sales, merchandising and advertising policies of Mercury Mills, Limited and he brings to that position a sound business experience both in Canada and in the United Kingdom.

Mr. D. A. Page, who has been active in the textile industry for 22 years, and has been with Mercury Mills, Limited since 1934, will be responsible for the co-ordination of all manufacturing activities at both Hamilton and Listowel plants.

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Uniform Laws and Organized Training Needed to Check Canada's Traffic Toll

Nine sets of traffic laws and a wide variety of road signs complicate vehicle control in Canada. The Post reports on Canada's No. 1 accident hazard

By BOYD E. BEAMISH

People are talking about Canada's shocking traffic toll these days, but what are they doing about it?

Newspapers are emphasizing the safety angle in the stories they print about automobile accidents in a number of cities; safety groups are carrying on energetic local campaigns in others; and police are "cracking down" with greater rigor than usual on traffic law violators. But that's about all.

According to highway and safety authorities, it isn't enough. What is really needed, many believe, is a concerted drive to focus the attention of all Canadians not only on this country's shameful accident record, but on the causes of accidents and their cure. Until motorists know the fundamentals of safe driving and the errors and omissions that produce accidents—and know them as instinctively as they recognize the dangers of disease epidemics—they see little hope of our accident curve receding in the near future.

Same Causes Predominate

If evidence is needed to show that we don't recognize the hazards of motoring, it stands clearly visible in our accident statistics. Four out of five fatal accidents still stem from the same three causes that have led the death roll-call for fifteen years or more.

Of every five fatal accidents reported in Canada, two were caused by someone driving too fast for road conditions, a third by a vehicle driving off the roadway (which implies excessive speed as well) and a fourth by driving on the wrong side of the road. Current accident figures show the same proportion, despite the fact that these three points have been driven home year after year. For some reason or other, we just won't learn.

Those who have had experience with the highway accident problem believe that three things are necessary before we will. They are: uniform license laws, uniform traffic laws and organized driver training, both in schools and for adults. In the United States, where the accident pattern is almost an exact duplicate of ours, the National Safety Council has been striving for the same goal for a number of years.

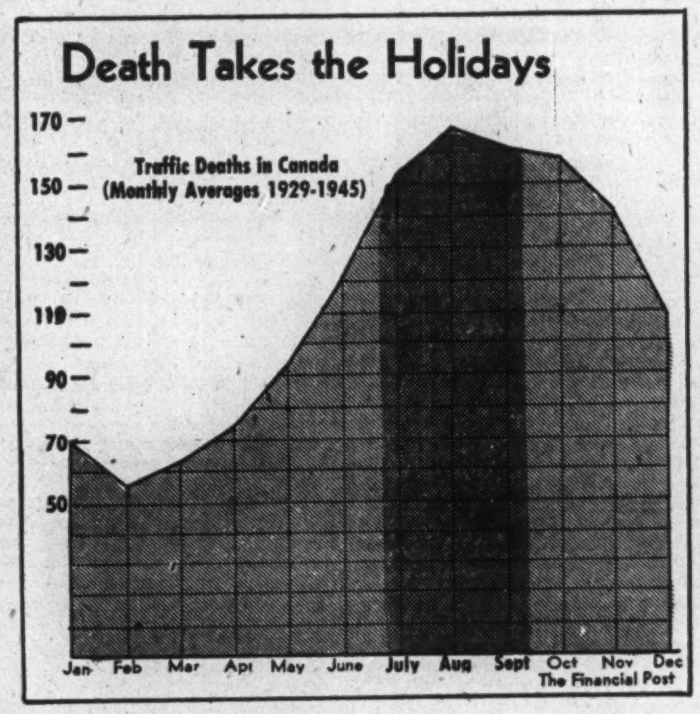
Driving Tests

In Canada, even today, three provinces do not require any test by applicants for drivers' licenses. In Saskatchewan, Alberta and Quebec, an operator's license is granted to anyone who fills out a form and pays the required fee.

The remaining six provinces provide varying degrees of control in registering drivers. In New Brunswick, a new driver need only bring in a certificate from a licensed examiner, a traffic officer or a garage mechanic stating that he has been out on the road with the applicant and considers him qualified to operate a motor vehicle. Manitoba and Nova Scotia require a driving test and an informal verbal examination regarding rules of the road, etc. Prince Edward Island requires its drivers to pass tests given by the Royal Canadian Mounted Police.

In Ontario, drivers must pass an oral examination and a driving test, given by licensed examiners. Vision is also checked and if the examiner is in any doubt as to a candidate's eyesight he can require him to produce a certificate of good vision from an eye specialist. Drivers are also subject to re-examination under a number of circumstances. These include drivers who are involved in an accident within one year of first being granted a license, all drivers involved in fatal accidents, drivers over 70, and those who have been involved in more than two reportable accidents.

British Columbia has the most rigid tests of all. They include oral examinations on the driver's ability to understand road signs and his knowledge of driving a motor vehicle, a written examination on his knowledge of highway laws and regulations, and a driving test. In addition, the driver's eyesight, hearing and reaction time are tested and the results recorded on his license.



The above instances are concerned only with drivers' or operators' licenses. It is only fair to point out that road tests are required in *all* provinces and written tests in some, before a chauffeur's license is issued.

Need Uniform Laws

But, if greater uniformity in drivers' license requirements is needed in Canada, the need for uniform traffic laws is even more apparent. Not only do speed limits vary from province to province, but so do signal devices and road signs used to mark traffic hazards. Making "inside turns" when turning to the left is obligatory in some provinces, against the law in others. The size, number and even the color of lights that must be carried by automobiles and trucks varies in the nine provinces. Penalties for infractions of the law also vary considerably.

Standards for a common code of highway regulations exist in the Uniform Vehicle Code, prepared in the United States by a group of safety authorities in 1926 and brought up to date every four years since, after thorough study. A number of states in the U.S.A. have based their highway legislation directly on this code and one Canadian province—Ontario—also follows its provisions closely.

Ontario goes so far as to prohibit municipalities from enacting laws governing motor vehicle traffic, until those laws have been approved by the Department of Highways. This is to ensure that uniform speed limits and other restrictions prevail in all municipalities throughout the province. Some other provinces have similar provisions in their highway traffic acts, but most provincial governments content themselves with prohibiting municipalities from requiring any "tax, fee, license or permit from motorists for the use of the public highways" and stipulating that they may not authorize a greater rate of speed than that laid down by provincial legislation.

Anomaly in Alberta

Alberta is a case in point. Provincial laws fix a speed limit of 25 miles an hour in cities, towns and villages, but there is nothing to prevent an Alberta municipality from fixing a local limit of, say, 15 miles an hour. If some tiny village on a main highway were to do that, it could create a traffic bottleneck that, in itself might constitute an accident hazard as motorists sought to make up for lost time after passing through. This is no mere theorizing. Investigation into the causes of thousands of accidents on this continent has shown that too low a speed limit can be a contributory cause of the accidents it seeks to prevent.

To have two or three provinces conforming to any single code, however, is not enough in the opinion of safety authorities. It goes without saying that uniformity must be complete before it is uniformity. This article is not suggesting that the U. S. Uniform Vehicle Code is necessarily the ideal on which Canadian legislation should be based, but the writer has yet to hear any valid reason advanced as to why the nine provinces and the Dominion Government should not get together and establish a code of their own.

Such a code, based on the experience of other provinces and states, and not on any *quid pro quo* arrangements between provincial governments jealous of their autonomy, could be a major step toward a belated awakening from our national nightmare of highway killings.

But, say safety men, that step alone cannot provide the whole answer. It would take care of one of the Three E's—Enforcement—because it is always easier to enforce one set of laws than nine.

Engineering is the second "E" of the trinity, and there is no denying that it has made great strides, independent of government control or action. Cars today are better engineered from a safety standpoint than they have ever been. Highway engineering can point to excellent examples of its contributions to safety in every province. About the only immediate improvement likely in this field would be for governments to give higher priority to projects aimed at eliminating known highway hazards—railroad grade crossings, congested road intersections and narrow, winding highways carrying a heavy volume of traffic.

Education Neglected

It is the third "E"—Education—that safety authorities find in the worst state of neglect. Thousands of new drivers take out licenses in Canada every year. They are the school children of yesterday. Many of them, in fact, are driving cars before they leave school. And yet, aside from a scattered few instances of municipal or private sponsorship, virtually nothing is being done to teach school children anything about driving cars.

The automobile is as much a part of our national life as the banks. There are undoubtedly Canadians who have driven cars, but have never made a bank deposit. Why, then, argue the safety people, don't our Departments of Education recognize the automobile and its place in our lives by devoting a few minutes a week to driver training.

More than 5,000 U. S. high schools have classroom courses in driving. Except for about 100 of them which give actual road instruction, they teach only the theory of automobile driving. But the graduates of those schools have a greater knowledge of the automobile, its dangers and its proper use, than the vast majority of citizens who blithely take out operators' permits.

Such a driving course would include a study of the mechanics of safe driving—what makes a car skid? What happens when you apply the brakes sharply when you run onto a soft shoulder? and so on. It would embrace a thorough study of highway traffic laws, so that the student would not only be made aware of their existence, but understand why each clause in the act was necessary. It would familiarize students with every road sign and what it means, and it would provide a theoretical post mortem on every local accident, to indicate the chain of events that produced the crash.

Proponents of the plan for driver training in schools maintain that, if the course were given the same status in any other course in civics or social science, with credits toward matriculation, it could be the means of raising the Canadian level of driving ability by scores of percentage points. They would like to have it go farther by having compulsory classes for all accident repeaters, but would be satisfied if they could start in our schools.

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Why Assess the Co-ops On 2 Crops, Pool Query

From Our Own Correspondent

WINNIPEG—Only the profits of two crop years, 1943-44 and 1944-45, are involved in taxation proposals on co-operatives outlined by Rt. Hon. J. L. Ilsley, minister of finance, a responsible wheat pool official declares. His interpretation is that the years before and subsequent to 1943-45 were exempt under the budget proposals. Why then, he asked, tax those two years? The principle of nontaxation for co-operatives seemed to be firmly established by the budget proposals. It looked to him as though failure to relieve the pool profits for those two years was based on one of three things:

1. War taxation: In that case the pools, he felt, would hardly object to them seriously, since the entire country faced special taxation on war profits and even co-operatives would probably bow to that need.

2. A basis for negotiation as between the pools and the Government, though, since only two years were involved, this did not seem very vital or far-reaching.

3. A compromise plan to assuage the grief of the private grain trade, which had been clamorous for taxation of the profits of co-operatives and now found its proposals spurned by the Government.

Pools Still Silent

He emphasized that these were entirely his own views and that no one was authorized to speak for the pools. Even their bi-monthly Manitoba Co-operator, which has a wide circulation among farmers, printed only the salient budget proposals and left comment for future issues.

No official statement of the pool attitude on the taxation of co-operatives' proposals in the budget will be made until after the Central Inter-provincial Board of the prairie pool meets in Winnipeg. That meeting will take legal advice on the interpretation of the budget, will study its effect on the different organizations of the provincial pools and will then announce its attitude and policy.

The Manitoba pool is a federation of locally owned and operated pool elevators, each of which has its own books and accounting system. Its Winnipeg office is simply a convenient management centre.

The Saskatchewan pools still retain central ownership and operation with officers in Regina. In Alberta the setup is more on a district basis, with factors which do not exist in the other provinces.

In these circumstances, the pool official said, about the only effective action which could be taken by the Central Inter-provincial Board would be to outline principles and to help the provincial pools.

In these circumstances, he added, the function of the Central Board would be that of interpreting the budget proposals; re-affirming its co-operative principles and helping the provincial operating pools to make their policy conform to these principles in the preparation of their case for presentation to the Government.

Rain Is Needed Still In West

WINNIPEG — Light showers to good rains have occurred at many points in western Canada during the past week, but in southern and central Manitoba and Central Saskatchewan, moisture is still insufficient for normal crop development. Many points in these sections report wheat in shot blade six to 10 inches in height and a few earlier crops in Manitoba are heading out from 10 to 14 inches in height.

Points which have not received recent rains show further crop deterioration, particularly in Manitoba; and without further immediate precipitation, partial crop failure is reported in prospect in a number of regions.

Five hundred acres of sugar beets in southern Manitoba are being plowed up and reseeded to coarse grains, owing to lack of moisture, weeds and cutworms. Points between Greenway and Deloraine indicate that crops will be 25% to 35% lighter this year without immediate heavy rainfall. All late sown crops, however, are showing deterioration.

Conditions are still satisfactory in northern Manitoba.

Rains occurred at all points on the Regina division but were insufficient to warrant enthusiasm as to crop prospects at many points. Rains have improved crops from Watrous to Melville, where wheat is now six to eight inches in height. Around Saskatoon, crops which promised to be light received a 12-hour rain, which should ensure improvement generally. Around Dodsland, Rosetown, Elrose and tributary territories, conditions appear considerably better than for the past year or two, and normal crops may be expected if conditions remain good.

In northern Saskatchewan good rains within 10 days will assure an average crop in this section. Grain is up to 10 inches in height and summer fallowing 65% completed.

Heavy precipitation occurred in eastern and central Alberta, ranging from a quarter of an inch to over two inches. Moisture conditions are now good over this entire territory and sufficient for two weeks. Marked improvement in crops has resulted and indications point to a good harvest. Crops are up 15 inches in height.

Around Edmonton, moisture conditions are still very satisfactory with an abundance of moisture west of Edmonton. Growth of grain and pastures is heavy and rapid. Early sown wheat is in the shot blade while oats are six inches in height. Summer fallowing is 70% completed in this section. Haying will start in the next week or two.

Good rains were received in all areas north of Edmonton improving conditions generally and all crops now look in excellent condition, wheat being generally in shot blade and 10 to 14 inches in height.

Michigan Sets Example In Selling Its Attractions

(Continued from page 11)

in the state. They're complete catalogues of where to go for hunting, fishing, swimming or just plain loafing. Besides a county-by-county editorial picture of each region, they carry advertised data on every resort in the state. The books range in size from 100 pages upward. One candidly carries the title, "The Lure Book of Michigan's Upper Peninsula."

And there's plenty of allure in the state, once you speed across the flat, uninteresting miles of the inland lower peninsula. "The coast," as natives refer to their shoreline on four of the five Great Lakes, (Superior, Michigan, Huron, Erie), is the lower state's real tourist asset. Up north it's the rugged, rocky, pine-strewn lands and rushing rivers that draw tougher tourists, fishermen and hunters. The "coastline," incidentally, is longer than that of any other state in the Union; and endless miles of it are sunswept, sandy beaches.

A Visit to Michigan

Motoring through Muskegon State Park, halfway up the eastern shore of Lake Michigan tourists can get a firsthand look at what the MTC means by a "developed state park." Muskegon is No. 51 of 76 such parks. It has literally everything—miles of Grade "A" concrete highway through its 1,197 acres of rolling sand dunes, its pine and hardwood forests, its three miles of sandy beach.

"Development" of Muskegon Park means provision by the state of highways, parking areas, camping grounds, stores, skiing and hiking trails, docking facilities. Right down to the last detail of wastepaper baskets, seating arrangements and fireplaces for beach parties, and metal charcoal grills mounted along the beach so they can swing to take advantage of the wind, little if anything has been left unprovided. The area's striking scenery has been pointed up, rather than marred, by rustic signs made of peeled logs soaked in a mahogany-hued wood preservative. When you drive your car onto the beach, you don't sink hubdeep in the soft sand; you park on paved areas built right there. It seems nothing has been overlooked.

Biggest Trailer Camp

Down the "coast," 20 miles closer to Chicago, whence it draws huge week-end crowds, is another type of development. There is "the oval," 44 acres of broad, sandy beach, equipped with an extensive paved area for parking cars and trailers, sanitary facilities for trailer tourists, stores, etc. Ottawa county's "oval" draws bigger crowds than any other park in the state. It packs them in, and the nearby town of Grand Haven reaps its harvest in restaurant, bar, theatre, garage, and retail store spending.

Nowhere in the state are there winter resort layouts that would pretend to hold a candle to the Canadian Laurentians; but eastern and central Michigan and the Upper Peninsula (that disconnected neck that sticks out between Lakes Superior and Michigan east of the Wisconsin border) are growing winter sport conscious. The newly formed Winter Sports Council in the eastern part of the state has just tallied up pledges to the value of $3,348 from communities in the region. Grayling in northern central Michigan, is probably the best developed of the state's winter sports centres; but even here the play is for weekenders only and not for winter vacationists proper.

For Roadside Picnics

Outside the park areas themselves, the Highway Department has its own system of roadside picnic grounds. Rustic tables and benches in shady nooks along the highways every few miles invite you to pull out of the traffic, unpack your lunch and relax a spell. And the tourist rest lodges, located just inside principal entry points from other states provide rest rooms and information service to Michigan's guests. Three of these lodges are reopened this year and three more are planned for early construction. Today they are operated jointly by the highway department and the Tourist Council; but MTC is expecting to be given full jurisdiction at the next session of the Legislature. The Ontario Government has been talking border information lodges for some time, has studied the Michigan prototypes.

A Canadian's impression of the state is that she has done an extremely smart job of wrapping up her natural attractions for tourist consumption and of selling them across her borders. In her natural state, it is doubtful if Michigan would have as much to offer as any one of our provinces; but more than 20 years' development and a growing enthusiasm for the tourist industry on the part of legislators, businessmen and general public have put her a long way in front of us. As an example of how to make the most of what's to be had tourist-wise, look to Michigan.

Unbiased Opinion on
Bonds, Industrials, Oils, Mines
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Orange Crush to Build New Plant in Toronto

Shareholders of Orange Crush Ltd. at a special general meeting unanimously approved increasing common capital to 250,000 shares, no par value, by the creation of an additional 150,000 shares.

Directors are planning large bottling plants in Toronto and Montreal and it is hoped that these plants will be ready by the time sugar is completely free again, Chairman of the Board E. P. Taylor told shareholders. The company is in a growth industry and there are great opportunities for expansion, he said.

It is intended, so far as practicable, to offer the newly created common stock to shareholders on a pro-rata basis.

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In Your Opinion

(Continued from page 12)

by motorists and pedestrians is absolutely essential if highway accidents are to be reduced.

• • •

H. N. WALTERS, British Columbia Electric Co., Vancouver.

Cause of fatalities in Vancouver and the lower mainland of British Columbia is the failure of pedestrians and public and private vehicle operators to realize their individual responsibility in observing traffic regulations. My recommendation is formation of a Dominion Accident Prevention Bureau to standardize and unify traffic laws and regulations and to offer a co-ordinated educational program to citizens, based on factual analysis of the accident record.

• • •

C. E. WATKINS, Chief Constable, Fort William, Ont., President, Chief Constables' Association of Canada.

There is insufficient knowledge of the rules of the road and a disregard for traffic laws. The remedy should be a greater probability that the offender would be penalized or required to file financial responsibility. This could be partly accomplished by closer traffic control, and by sufficient and properly equipped police

• • •

HON. ERRICK F. WILLIS, Minister of Public Works, Winnipeg.

Too much speed, inefficient drivers, jay-walking, glaring headlights, intoxication and unrepaired vehicles, are causes. Effective remedies are strict enforcement of existing laws, nation-wide adoption of driver training and examination for driving skill, with periodic inspection of vehicles and drivers made compulsory. More modern road design will also save lives. Licenses of hundreds of present day drivers should be cancelled forever; they are killing people with automobiles on this continent to such an extent that, if done by guns, it would be described either as barbarism or as mass murder.

• • •

DR. H. G. H. WORTHINGTON, President Canadian Association of Tourist & Publicity Bureau, Vancouver.

The following are the primary causes of traffic fatalities:

Speed is too fast for conditions; carelessness, wilful disregard of regulations; alcoholic driver or pedestrian; obsolete vehicles and resulting mechanical failures; impoverished condition of physical traffic structure; understaffed, inadequately equipped and trained police; unsuitable laws and court procedure.

Remedies are: Improved structure, semiannual inspection of all vehicles for minimum standard mechanical conditions, re-examination of all persons holding driver licenses re physical condition, mental, psychological and cerebration reaction, juvenile-adult continuous educational program, increased personnel equipment and training police, improved traffic legislation and court procedure.

• • •

J. M. VARTY, Acting General Secretary, Canadian Industrial Traffic League, Toronto.

One out of four vehicles, both passenger and commercial, is badly in need of repairs.

You cannot develop
EXPORT BUSINESS
by ignoring it!
The continuance of Canada's economic prosperity depends on the maintenance of high export levels. Due to the present greatly expanded domestic demands, some manufacturers are ignoring their export possibilities.
NOW is the time to DO something. If you cannot ship in quantity can you not make TOKEN shipments while overseas buyers are receptive?
IF you cannot even do that, express your policy, establish your name, win the buyer's respect for Canada's industrial products.
The most economical and thorough way to cover the British Empire market for industrial products is through Industrial Progress.
The most economical and thorough way to cover the Latin American market for industrial products is through Industrial Progress.
The most economical and thorough way to cover Both markets for industrial products is through Industrial Progress.
INDUSTRIAL PROGRESS THE MAGAZINE OF CANADIAN TRADE ABROAD
A MACLEAN-HUNTER BUSINESS NEWSPAPER
481 University Avenue, Toronto, Ontario
Write for interesting story of results

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A MESSAGE FOR THOSE WHO NEED TRAINED WORKERS

I recommend to you
CANADA'S VETERANS . . .
To take full advantage of the great future possible for Canada, Canadian business will need men of courage and initiative—purposeful men of sound judgment. I know where such men may be found for I have worked with them, lived with them and fought with them. They are Canada's veterans and I am confident that the loyalty, initiative and unflagging determination which made them the best troops in the world, will also be the qualities so essential in Canada's business life.
Many are already skilled tradesmen, and many have a sound foundation of skills on which wise employers may build. I know of no better man-power supply in the world than the men and women from Canada's armed forces.
H. D. G. Crerar,
General
CONSIDER THESE SERVICE SKILLS
ARMY TRADE FITTER
Only one of 216 army trades, the trade fitter was trained to make and fit new or reworked parts of guns, power trains, gearing units, valves and machine tools. He had to follow simple sketches and blueprints, and among other duties, make parts from metal castings, forgings and stock. A knowledge of the working properties of steel and non-ferrous metals was essential. He typifies thousands of veterans available to industry today.
ELECTRICAL ARTIFICER
In the navy, this man maintained electrical navigation equipment, lighting systems, telephone switches and was a specialist in many naval electrical installations. He was a skilled machinist, qualified for general machine work and for manufacturing and repairing electrical equipment. With on-the-job training he would be capable of house and industrial wiring.
STATIONARY ENGINEER—R.C.A.F.
His duties were the installation, operation, overhaul and repair of all heating equipment used by the R.C.A.F. He had a knowledge of steam fitting, valves, pumps of all types and underground and overhead distribution systems. He holds a current provincial first, second or third class certificate. This is only one of the many specialized trades in the R.C.A.F.
Employers—
USE THESE
BOOKLETS
Many Canadian employers have these booklets. The National Employment Service and Department of Veterans Affairs offices will interpret them, and assist you in choosing veterans for your post-war jobs.
Service Skills Make GOOD Civilian Workers!
PUBLISHED IN THE INTERESTS OF VETERANS BY
THE GOVERNMENT OF CANADA

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Chartered Banks Need More Juniors To Repair Wartime Staff Shortages

School's out—and in thousands of Canadian homes, the burning question is "What's Jimmy going to do now that he is through school"

In many cases the question has been answered by Jimmy getting a job in one of the chartered banks. But there is still room for many more, for bankers say the number of applicants generally is considerably below the number wanted.

Reason for the increase in vacancies is that for several years the banks have been taking few juniors on their staffs—during the war practically none. Accordingly, despite the fact that thousands of servicemen are returning to their bank desks, there is a shortage of men of the ages that normally would have joined the bank's service between 1940 and 1945.

Last year, after VE-Day, with the easing of the Selective Service regulations, the banks began to take on junior clerks. But the total number engaged so far is insufficient to fill the vacancies, The Financial Post is informed. The situation has been accentuated to some extent by the fact that since the war ended, the banks have not been employing the same number of women as formerly.

Fewer Girls Now

None of the women who did yeoman service during the war are being discharged but as the number of female employees shrinks due to natural causes, such as marriages or deaths, the vacant places are not filled by other girls. Many of the senior jobs such as tellerships are being filled by returned servicemen. But efforts are being made to fill the junior positions with boys.

Women clerks have proved highly capable in general banking work during the war. But bank executives say the objection is that while young male clerks regard banking as their career and accordingly, early in the game, start preparing themselves for the senior posts, to most girls banking is only a temporary occupation and they are not likely to remain permanently with the staff as the men do.

As a rule the banks like to get boys between 16 and 18 years of age. But if a boy looks of the right type they have no objection even if he is several years older. They like them to have at least junior matriculation standing, but here again lack of a matriculation certificate will not keep a boy out, if in other ways he is considered suitable. In the larger cities, initial salaries are $800 to $950 a year, with a slightly lower scale in the smaller places. Starting salaries now are almost double those paid before the war.

Banking Prospects Good

Bankers generally believe prospects in banking are better than they have been for some years before the war. One reason is that the banks generally are looking forward to a period of expansion with many new branches opening.

Before and during the war, the trend was just the opposite. In the war years, more than 200 branch banks were closed, mainly at the behest of the Dominion Government in its effort to conserve manpower. Since the beginning of this year some 40 branches have been opened.

Pay While Training

One advantage the banks offer is that they pay while they are educating their new employees. For the first six or eight months most junior clerks are a considerable responsibility rather than an asset. Yet pay goes on just the same. As each proves his ability, he can expect an increase at least once a year—in some banks oftener than that.

Then most of the banks carry group insurance on their employees and there is, of course, the bank pension. Most boys of 16 to 18 don't see the value of a pension, payable at 65 or so. But after they have been in business a few years they value it more.

Employment, too, is stable. Generally, some place in their wide organization can be found for those who may not prove suitable for the higher grade positions. Recently too, some of the banks have been making efforts to push young men on so that they will not lose their early drive and initiative by being kept on junior work too long.

WISHART F. SPENCE

has been appointed enforcement administrator of the Wartime Prices and Trade Board.

Canadian Fire Insurance Co. Would Issue Partic. Policies

Applications of the Canadian Fire Insurance Co. and the Canadian Indemnity Co. to the Dominion parliament to amend their charters, seek authority for the companies: 1, to change the par value of their stock; 2, to issue participating policies.

The change in the par value of the stock from $50 to $10 a share and the issue of five new shares for each now held in the case of the Canadian Fire and from $100 to $10 a share and the issue of 10 new for one old of Canadian Indemnity stock is aimed, it is believed, at obtaining a wider distribution of the stock along the lines of the stock split by the chartered banks about two years ago.

The issue of participating policies, however, is a relatively new departure in Canadian fire and casualty insurance written by stock companies. It is believed the only stock insurance companies in Canada writing participating fire and casualty insurance policies are the General Insurance Co. of America and its associates the General Casualty Co. of America and the First National Insurance Co. of America. Various mutual fire insurance companies, however, have always written participating policies.

In some quarters the move of the "Canadian" group is seen as a measure to enable the companies to take advantage of any income tax concessions by the Dominion Government to insurance companies paying dividends or making refunds to policyholders.

COMPANY REPORTS

OTTAWA CAR & AIRCRAFT LTD., 1945 operations resulted in a net loss of $54,045 as against a net profit of $88,508 for 1944. With the end of hostilities a great deal of work had to be done and is still being done to clean up Government orders; also the changeover from war to peace production is necessarily a slow and expensive operation, President Allan T. Lewis states. Although there are a number of commercial orders on hand, the volume received has been disappointing. Directors are exploring other outlets with a view to increasing the volume of commercial business. A standard profits claim has been filed with the Income Tax Division which, if successful, will result in a saving in taxes for the years 1943 and 1944.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Def. earnings	$20,118	*$274,654
Less: Deprec.	33,927	47,345
Inc. & other tax.▲	......	138,801
Net loss	54,045	*88,508
Less: Dividends	45,000	36,000
Deficit for year	99,045	*52,508
▲Incl. refund. EPT.	12,389	21,268
*Profit or surplus.		
Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	d$0.60	$0.98
Incl. ref. EPT	d0.42	1.22
Paid	0.50	0.40

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & bonds	$74,838	$55,672
Accts. rec.	1,045,222	1,506,255
Inventories	204,956	176,619
Total curr. assets	1,325,016	1,738,546
Misc. assets▲	176,456	269,325
Fixed assets*	356,903	353,635
Total assets	1,858,375	2,361,506
Total curr. liab.	326,354	720,190
Note payable	98,650	205,000
Capital stock	981,931	981,931
Surplus▲	†451,440	454,385
*After depr. of	1,109,502	1,075,576
▲Incl. refund. EPT.	50,431	38,041
Working capital	998,663	1,018,356

†Reflects prior year adjustments.

CANADA CRUSHED STONE LTD., Hamilton, reports 1945 net profit as off slightly from 1944. The volume of business showed a small increase. Volume of business for current year is anticipated to run about the same as in past year. The postwar program to modernize plants has begun, and units of new equipment are already in operation.

INCOME AND SURPLUS ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$117,949	$119,042
Less: Interest	1,283	1,215
Depreciation	29,308	27,332
Income taxes	37,017	36,264
Net profit	50,341	54,231
Less: Divds. paid	25,496	25,496
Surplus for year	24,845	28,735
Earnings per Share and Dividend Record:		
Common: Earned	$0.79	$0.85
Paid	0.40	0.40

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & Dom. bonds.	$331,148	$345,069
Accts. rec.	62,936	39,030
Inventories	30,821	33,252
Total curr. assets	424,905	417,851
Misc. assets	65,870	60,663
Fixed assets*	1,181,939	1,146,137
Total assets	1,672,714	1,624,151
Total curr. liab.	90,794	69,559
Capital stock	637,400	637,400
Surplus	944,520	917,192
*After depr. of	965,638	954,878
Working capital	334,111	347,792

MOIRS, LTD. 1945 retained net profit was the same as for the previous year. A reduction in income tax provision offset a sizeable drop in net earnings. In the second half of the year, there was a considerable drop in sales volume, due to the sugar ration's being cut to 50% and other raw materials severely restricted. Profit margins were narrowed somewhat by higher material and labor costs, but the decline in operating profits was largely due to the amount of maintenance and repairs undertaken and completed.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$419,630	$503,798
Less: Bond int.	40,768	41,394
Depreciation	78,481	71,619
Income tax▲	218,838	309,242
Net profit	81,543	81,543
Less: Pref. divds.	58,500	58,500
Surplus for year	23,043	23,043
▲Incl. refund. EPT.	32,761	50,380
Times Interest Earned:		
Before deprec.	10.29	12.17
After deprec.	8.37	10.44
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$8.36	$8.36
Incl. ref. EPT	11.72	13.53
Paid	6.00	6.00
Com.: Excl. ref. EPT	1.49	1.49
Incl. ref. EPT	3.80	4.74
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & Dom. bonds	$491,033	$360,402
Accts. rec.	295,875	349,252
Inventories	699,482	690,669
Total curr. assets	1,386,390	1,400,323
Misc. assets▲	197,253	165,666
Fixed assets after depr.	929,491	951,026
Total assets	2,513,134	2,517,015
Accts. & tax. pay.	304,198	355,141
Div. pay.	61,824	60,366
Total curr. liab.	366,022	415,507
Funded debt	673,500	689,900
Capital stock	990,500	990,500
Surplus▲	483,112	421,108
▲Incl. refund. EPT.	172,141	139,380
Working capital	1,020,368	984,816

AVALON TELEPHONE CO. 1945 net profit was up slightly at $64,952. Working capital as at year end stood at $61,400, up $16,231.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$223,861	$215,473
Less: Depr.	100,446	97,903
Bond interest	34,099	34,110
Inc. tax prov.	24,364	20,119
Net profit	64,952	63,341
Less: Pref. divds.	40,000	40,000
Common divds.	16,545	16,544
Surplus for year	8,407	6,797
Times Bond Interest Earned:		
Before depr.	6.54	6.32
After depr.	3.62	3.45
Earnings per Share and Dividend Record:		
Pref.: Earned*	$2.71	$2.64
Paid: 7%	1.75	1.75
6%	1.50	1.50
Common: Earned*	2.64	2.47
Paid	1.75	1.75

*Before participation.

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash	$21,870	$19,292
Investments	23,512	36,237
Accts. rec.	90,178	79,953
Inventories	12,421	12,000
Total curr. assets	147,981	147,482
Fixed assets	2,049,023	2,008,922
Total assets	2,197,004	2,156,404
Total curr. liabs.	86,580	102,313
Def. maint.	2,750	2,750
Depr. res.	482,762	431,836
Funded debt	757,000	760,000
Capital stock	836,350	836,350
Earned surplus	31,562	23,155
Working capital	61,400	45,169

UNITED FUEL INVESTMENTS retained net profit for the year ended Mar. 31, 1946 was down 26.6%; mainly attributable to a decrease in volume of sales of all products and to a decrease in the price of coke sold. Funded debt was reduced by $130,000 by retirement of bonds at maturity. Total charges for interest on funded debt and bond discount absorbed were reduced $57,604.

Company earnings in recent years have been adversely affected by steadily increasing costs, particularly for coal, the cost per ton of which is stated to have increased 57% since 1940. Gas production cost has also risen.

Future operations are uncertain, mainly as to supply and cost of coal. A substantial increase is anticipated in the cost of coal imported during the current boating season, and this may necessitate applications for increases in the selling prices of the company's products.

CONS. INCOME ACCOUNT

Years Ended Mar. 31:	1946	1945
Net oper. profit	$865,763	$1,150,059
Less: Depreciation	248,055	251,340
Bond interest	170,478	219,485
War plant amort.	......	84,418
Income tax res.▲	191,500	250,000
Bond & loan exp.	9,876	18,473
Inventory res.	......	15,000
Net profit†	245,854	311,343
Less: Cl. A divds.	270,000	270,000
Deficit for year	24,146	*41,343
▲Incl. refund. EPT.	1,500	3,000
*Surplus.		

†Note:—Co's. report includes refundable EPT in net profit and surplus for year.

Times Bond Interest Earned:	1946	1945
Before depr. & amort.	5.08	5.24
After depr. & amort.	3.62	3.71
Earnings per Share and Dividend Record:		
Cl. A: Excl. ref. EPT	$2.73	$3.46
Incl. ref. EPT	2.75	3.49
Paid	3.00	3.00
Cl. B & Common:		
Excl. ref. EPT	d0.21	0.26
Incl. ref. EPT	d0.20	0.28
None paid.		

CONDENSED CONS. BALANCE SHEET

As at Mar. 31:	1946	1945
Cash, Dom. bds., etc.	$884,926	$914,913
Accts. rec.	776,806	670,239
Inventories	417,874	633,027
Total curr. assets	2,079,606	2,218,179
Misc. assets▲	453,211	461,353
Fixed assets*	10,489,339	10,685,902
Total assets	13,022,156	13,365,434
Accts., tax., etc., pay.	676,741	1,016,333
Bonds due or called	130,000	130,000
Total curr. liabs.	806,741	1,146,333
Conting. res.	100,000	......
Funded debt	4,240,000	4,370,000
Exchange res.	120,000	120,000
Capital stock	6,292,225	6,292,225
Capital surplus	417,220	417,220
Earned surplus▲	1,045,970	1,019,656
*Less depr.	5,420,179	5,197,955
▲Incl. ref. EPT	46,500	42,500
*Incl. $4,079,955 prems. pd. for subsids.		
Working capital	1,272,865	1,071,846

STANDARD CHEMICAL CO. retained net profit for the year ended Mar. 31, 1946 was up 143.88%; due mainly to the transfer back to operations of a $125,000 inventory reserve—this amount being found to be in excess of requirements. Earnings include profits of the Dalglish Companies for nine months, since acquisition.

Investments in marketable securities of other companies in, or associated with the chemical industry were increased by $2,171,875. The wood distillation plant at South River, Ont., is being operated at capacity. Operations of similar plants at Donald, Ont, and at Fassett, Quebec, have been discontinued owing to cost of raw material. Part of the wood distillation plant at Longford, Ont., is being converted for production of a new chemical product, not yet manufactured in Canada

Oportunities for expansion in the general field of chemicals and their manufacture are still available. The management plan to continue careful investigation of the merits of a number of projects involving further expansion, the annual statement reports.

CONS. INCOME ACCOUNT

Years Ended Mar. 31:	1946	1945
Net earnings	$442,883	‡$281,460
Less: Depr.	52,591	41,775
Rly. const., etc., w/o	12,094	16,728
Income taxes	215,791	105,940
Add: Trans. inv. res.	125,000	......
Profit, incl. ref. EPT	287,407	117,017
Less: Ref. port. EPT	24,213	9,100
Retained net profit	263,194	107,917
Less: Pref. divds.	45,616	......
Com. divds.	......	37,777
Surplus for year	217,578	70,140
‡Includes Dom. govt. subsidy of $83,045.		
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$36.32	......
Incl. ref. EPT	28.74	......
Paid	5.00	......
Com.: Excl. ref. EPT	0.48	0.55
Incl. ref. EPT	0.54	0.60
None paid.		
Com. (old): Paid	......	0.50

CONDENSED CONS. BALANCE SHEET

As at Mar. 31:	1946	1945
Cash & Dom. bds.	$884,361	$933,056
Accts. rec.	833,483	530,120
Inventories	887,063	1,113,408
Total curr. assets	2,604,907	2,576,584
Investments	2,643,378	494,929
Misc. assets▲	248,124	121,069
G'will from consol.	905,192	176,970
Fixed assets*	793,329	370,593
Total assets	7,194,930	3,740,145
Accts. & tax. pay.	852,564	552,027
Other curr. liabs.	12,500	140,948
Total curr. liabs.	865,064	692,975
Spec. bank loan (sec.)	1,000,000	1,000,000
Invent. & gen. res.	250,172	383,685
Capital stock	4,591,078	1,351,550
Surplus▲	488,616	311,935
*Less depr.	939,719	845,803
▲Incl. ref. EPT	112,501	30,836
Working capital	1,739,843	1,883,609

PASCALIS GOLD MINES remained closed in 1945, although some consideration was given to commencing underground work, with a view to enlarging and developing ore previously disclosed. It was concluded, however, that this would not be advisable under present conditions. The property is to be maintained in good standing until housing, labor and supplies improve. Current assets were $1,630 and current liabilities totalled $75,946, as at Dec. 31.

Automobiles have replaced tanks

● but the SAME power equipment must build them.

● Plants which built tanks by the thousands are turning out new cars for civilians.

The same turbines, boilers and generators that have served through the war years must furnish the power to produce many classes of civilian goods. For new power equipment will be scarce. Most of the present equipment—much of it overworked—must serve until well into peacetime.

What about the power equipment in your own plant? Will it serve you dependably during the highly competitive post-war period? You can help preserve it by using the protective features of The Boiler Inspection Company.

The Boiler Inspection Company's field engineers comprise the country's largest staff devoting full time to power-equipment protection. To these men are available the Company's 70 years of experience in this highly specialized line. Their maintenance advice has helped add years to the life of many expensive installations. They are strategically located so they can be quickly reached in an emergency.

No wonder The Boiler Inspection Company is first among power-plant insurers. Have your agent or broker give you interesting facts on how the Company can help you conserve your equipment.

1-48

The Boiler Inspection and Insurance Co. of Canada

MARLON ROUYN GOLD MINES reports diamond drill hole 57 returning 9.5 ft. of core assaying $18.78 from a vertical depth of 520 ft. Pouring of shaft collar has been completed and resumption of sinking 3-compartment shaft is expected to be in progress shortly.

GARTHACK MINING CO. advises that four claims adjoining to north and three claims adjoining to south of Garrison twp. property have been purchased from Benbow Gold Prospecting Synd., increasing holdings to 10 claims, en bloc, in Garrison and Thackeray twps. Prospecting is expected to start soon.

PIPES AND PLANNED CREDIT!

In official industrial statistics, tobacco pipes are listed among such diverse products as sporting goods, umbrellas and buttons. Actually, the making of these miscellaneous products is carried out by some 20,000 Canadians in about 630 plants. And in only 6 of these many small plants are tobacco pipes made—employing about 50 men and women.

But—it is in this way that small industries minister to the requirements of a nation. It is thus, too, that small businesses collectively and individually build up huge financial totals : : : providing employment : : : adding vastly to the volume of industrial production.

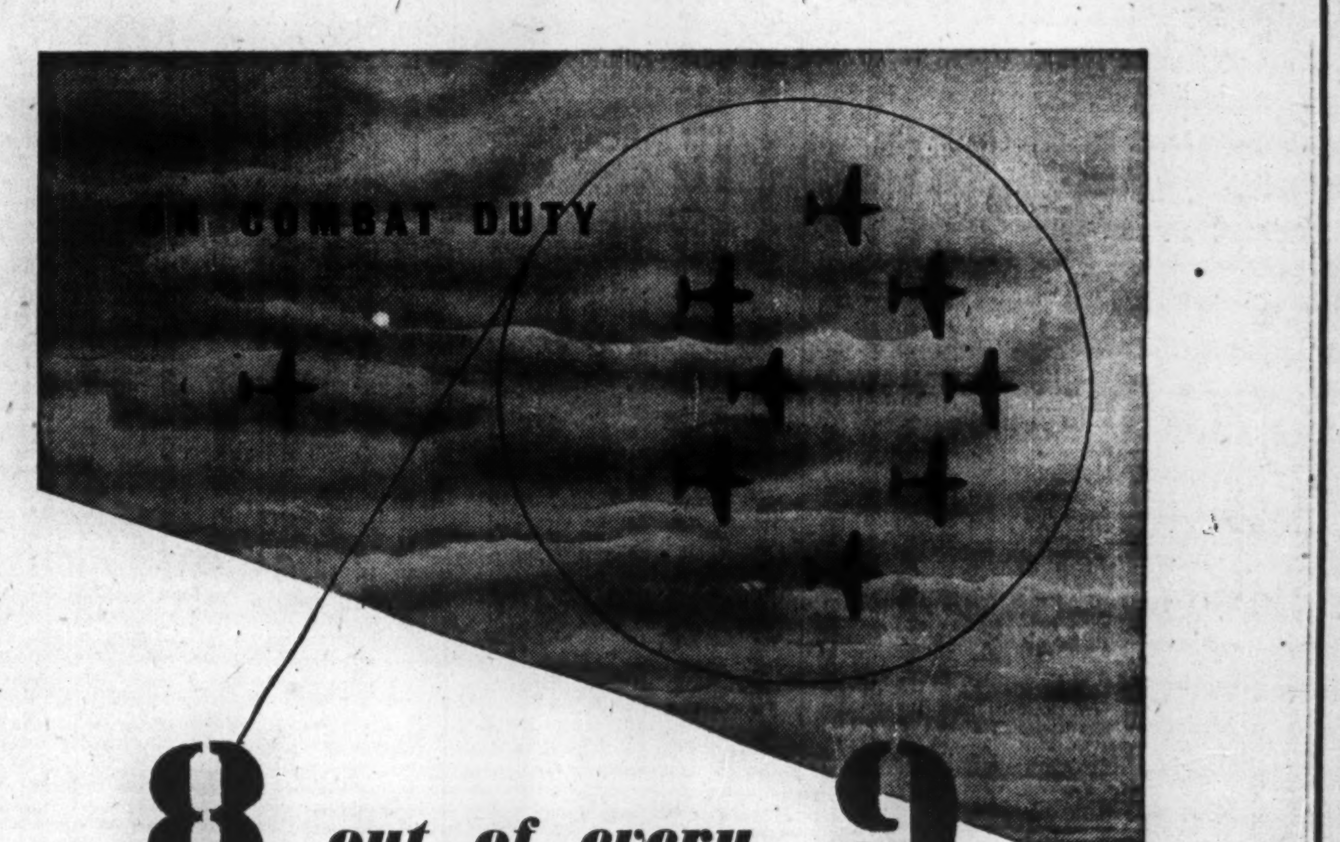
This Bank has often helped, through bank credit, to create and consolidate small constructive businesses. Between your own hopes of today and the business realities of tomorrow, there often stand credit needs—calling for planning. If you are hampered by such credit needs : : : whether your business be large or small : : : bring them to us and talk them over.

THE BANK of TORONTO

Incorporated 1855

B. S. VANSTONE, General Manager

911-46



8 out of every 9 British Naval Aircraft were Fairey types

No fewer than eight out of every nine operational aircraft of British manufacture that were delivered to the Royal Navy from all sources in the War were Fairey types.

To-day, the Fairey Firefly is officially cited as "the standard two-seat Fighter Reconnaissance Aircraft in Naval Service." It also equips squadrons of the Royal Canadian Navy and the Royal Netherlands Navy.

The new Mark IV version is now in full production

THE FAIREY AVIATION COMPANY, LTD., HAYES, MIDDLESEX, ENGLAND

THE WEEK'S QUOTATIONS

Montreal and Toronto
Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING JUNE 28

Range 1946 High	Low	Div R'te $	June 28 Y'ld %		Sales	Last June 21	Week end. June 28 H	L	Cl'se
22½	14	.	...	Abitibi	6769	20	20½	19½	19¾
21½	17½	.	...	Do. $1.50 pf n	6145	18¾	19	18½	18½
40½	38	.	...	Do. $2.50 pf n	90	38½	38	38	38
12	10	.	...	Acme Glove, n.	90	10	10	10	10
24	20½	1.00	4.6	Acadia Atlan A	420	22½	22½	22½	22
307	103	5.00	4.7	Do. 5% pref.	20	106½	106½	106½	106½
41½	28	1.80	4.7	Agnew Surp.	180	39	38½	37	38
120	109	7.00	6.4	Do. pref.	10	115	109	109	109
103	78	■3.25	..	Cons. Smelters	4858	99	100½	97½	99
188½	156½	8.00	4.5	Consumers' Gas	93	179	180	179½	179½
50	41½	2.00	4.1	Consum. Glass	130	50	49½	49	49
22½	8	.	...	Corr. P. Box	640	19½	22½	19	20
32	28½	1.20+.15‡	3.9	Cosmos Imp	185	31½	31½	31½	31½
8½	7½	■.20	...	R. L. Grain	50	7½	7½	7½	7½
54½	43½	3.00	6.3	Crow's N. Coal	50	47	48	48	48
2.00	1.60	.	...	Cub Aircraft	1375	1.60	1.90	1.75	1.90
29	20	1.00	3.6	David & Fre. A	50	29	28	28	28
34	29½	1.50	4.6	Davis Leather	780	33	33½	33	33
16½	13½	.70	4.6	Do. (B)	285	15½	15½	15	15½
18	7	.	...	De Havilland	100	17	18	18	18
26	23½		...	Distill-Seag. n.	4675	23	26	23½	25½
110½	110	5.00	4.6	Dom Ang Inv p	13	110	110	110	110
30	24½	1.00	3.3	Dom. Bank	665	29½	30	29½	30
45½	39½	1.20	2.9	Dom. Bridge	475	43½	42½	42	42
23	13½	▲2.25	..	Dom. Coal, pf.	1815	22½	22½	20	20
14	10	.	...	Dom. Dairies	111	10½	11½	10	10
8½	6	.	...	Dom. Electro	150	8	7	7	7
62	44½	2.00	3.6	Dom. Engineer.	50	55	55	55	55
39	31	1.40	4.3	Dom. Foundries	770	32½	32½	32	32½
50½	47	■.25	...	Dom. Glass, n.	925	50	50½	50	50½
49	36	■.35	...	Do. pref.	340	41	41½	41	41
45	38½	1.20+.40	3.7	Dom Oilcloth	345	43	45	43	43
15	7½	.	...	Dom. Magnes.	395	10½	11	10	10½
30	17½	.80	2.7	Dom. Malting	175	30	30	30	30
7	4½		...	Dom. Scot. Inv.	60	6½	5½	5½	5½
50	45	■1.50	..	Do. pref.	215	50	49	49	49
27	18½		...	Dom. Square	30	27	27	26½	27
23	12½		...	Dom. St. & CB	9187	21	21½	■20	21½
28½	21	■.45	...	Dom. Stores	495	27½	28½	27½	28½
32½	23	■.75	...	Dom. Tar & Ch	1525	28	28	27½	28
28	24½	1.00	4	Do. pref.	575	28	25	24½	25
28½	23½	■.50	...	Do. V.T.	575	24½	28	28	28
120	90	5.00	4.6	Dom. Textile	105	107	110	107	109
184	165	7.00	3.8	Do. pref.	8	180	184	184	184
19½	13	.80	4.1	Dom Woollens	1473	18	19½	18½	19½
102½	102		...	Donnacona, pf.	100	102½	102½	102	102
21½	15	■.25	...	Do. (C)	2710	18	17½	17	17
24	22½	.	...	Donohue Bros.	200	22½	23	23	23
19½	13		...	Dryden Paper	415	16½	17	16	16
15½	10½	■.40	...	East Steel, new	1075	13½	13½	13½	13½
19	11	*.50	...	East Theat.	22	11	19	19	19
15½	14	.50	3.2	Easy Washing	100	15½	15½	15½	15½
22½	16	■▲1.00	..	Electrolux	1015	21½	22½	21	22½
36	25	1.00	3.3	English Electric	75	29	30	30	30
13½	7		...	Do. (B)	35	8½	8½	8½	8½
6	3½	*.25	...	Fairchild Air.	500	4	4	4	4
20	15	.60	3.2	Famous Players	2775	18½	19½	18½	19
66	48½	▲1.50	2.5	Fanny Farmer	235	59½	61	59½	60
9½	5½		...	Federal Grain	615	8	8	7½	7½
120	89	■4.00	..	Do. pref.	55	108	108	108	108
8	4	■.25	...	Fleet Aircraft	175	5½	6	5½	6
32½	26	1.00	3.9	Ford Motor A	455	26½	26½	25½	25½
1.25	.40	.	...	For. Pr Secs.	557	.65	.70	.40	.65
18	12		...	Do. pref.	15	14	12	12	12
34	28½	1.40	4.5	Foundation Co.	175	31½	32	31½	32
75½	53½	■2.00	...	Fraser Cos.	1547	70	69	67	67
12½	11½	.	...	Gord. McKay A	1930	11½	12	11½	11½
25	15½		...	Do. pref. (B)	325	21½	25	24	24½
20	13½	■.75	...	Gatineau Pwr.	325	19	19	19	19
111	105	5.00	4.5	Do. pref.	85	110	110	109½	110
111	106	5.50	5	Do. 5½% pref.	65	110½	110½	110½	110½
7½	5	.	...	Gen. Bakeries	1075	5½	5½	5½	5½
20½	18	.80	4.4	Gen. St. Wares	1043	18	18½	18	18½

Range 1946 High	Low	Div R'te $	June 28 Y'ld %		Sales	Last June 21	Week end. June 28 H	L	Cl'se
109	105	5.00	4.6	Do. pref.	20	108	108½	108	108
125	99½	■2.00	..	Goodyear Tires	90	120	122	120	120
58	52½	2.50	4.8	Do. pref.	576	53½	53½	52½	52½
22	17½	.	...	Grafton (A)	1030	21½	21½	17½	21½
33	24	■.75	...	Godfrey	5	27	33	33	33
85	85	▲■8.75	..	Gould Pumps	12	86	85	85	85
35	13	■.50	...	Gt. Lakes Pap.	1334	28	30	28	28
70	42	1.50	2.3	Do. A & B	1289	66	66½	65	65
120	120	5.00	4.2	Guaranty Trust	10	111	120	120	120
3.2				Royal Bank					
			...	Russell Indust n	3715	15½	15½	15	15½
106	104	4.25	3.1	Saguenay Pr. p	995	105½	106	105½	105½
15½	10	■.25	...	Sarnia Br.	25	12½	12½	12½	12½
16½	15	.76	4.6	Scythes & Co.	100	16½	16½	16	16½
28	26½	1.25	4.6	Do. pref.	100	27½	27½	27½	27½
26½	21½	1.00	4.1	Shawinigan Pr.	2324	23½	24½	23½	24½
38½	28	.60	1.7	Sher. Wms.	20	36	36	36	36
187	156	7.00	3.7	Do. pref.	25	185	187	185	187
19½	13½	.	...	Sicks Brew.	1670	13½	14½	13½	14
15½	13½		...	Do. V.T.	815	14	14	14	14
102	100	5.00	5	Silverw'ds WDp	5	100½	100	100	100
18½	11	.40+.10	2.8	Silverwoods	1064	16	17½	16	17½
18½	10	.40	2.2	Do. pref.	430	17	17½	16	17½
25½	13½		...	Silknit	115	22½	22	21	21½
19½	17	■1.00	..	Do. Scripts	10	19½	19½	19½	19½
41	36	2.00	5	Do. pref.	10	40½	40½	40½	40½
40	27½	■.50	...	Simpson, A.	965	39	38	36½	37
37½	23½		...	Do. (B)	600	34½	34½	33	33
108½	101½	4.50	4.2	Do. pref.	100	108	108	107	108
32½	25	1.20	3.8	Slater, N.	125	32	32½	32	32½
16	14	.80	5.2	So. Can. Pr.	70	15½	15½	15½	15½
132	115	6.00	4.6	Do. pref.	7	130	130	130	130
.31	.22		...	South. Invest.	6810	.27	.29	.26	.27
25	19	.76	3.8	Southam	625	20	20	19½	19½
10	7½		...	St. Law. Corp.	1985	8½	8½	8½	8½
39½	30½	1.00	2.8	Do. (A)	400	35	36	34½	35½
41	34½	1.60	4.6	St. Law. Flour.	25	35½	36	36	36
112	83	3+■1.50‡	2.8	St. Law. P p	592	108	107½	106	107½
16½	10	■.50	...	Stand. Chem.	3736	11½	12½	11½	11½
106	100	5.00	4.9	Do. pref.	2	105	105	102½	102½
10½	7		...	St. Pav. & Mat.	340	8½	9	8	8½
24	18½	.62½	2.4	Do. pref.	725	22	23½	21½	23½
9½	6½	.40	5.7	Stand. Radio	450	7½	7½	7	7
12½	11½	■.30	...	Stanley Brock	386	12	12	11½	12
8	7½	■.20	...	Do. (B)	250	7½	8	7½	8
20½	17	.60	3.2	Stedman Bros.	60	20	18½	18	18½
93	78½	3.00	3.2	Steel of Canada	305	91½	93	91½	93
95	80	3.00	3.2	Do. pref.	92	93½	93	92½	93
29½	25	1.50	5.2	Stowell, A.	85	29	29	28½	29
5	2½	.	...	Stop & Shop	375	3½	3½	3½	3½
27½	21½	.80	3	Tamblyn	600	27	27	26½	27
23	14	■.80	...	Thrift Stores	320	20	20	19½	20
25	20	.30	1.3	Tip Top Tailors	575	24	25	23	24½
44	38	1.00	2.7	Tooke Bros.	179	38	37	36	37
46½	36	*1.00	..	Tor. Elevators	25	41	42	41	42
14	11½	.60	4.6	Tor. Iron A	605	13½	13½	13	13½
14	11	.60	4.4	Do. (B)	400	13½	13½	13	13½
169	143	■5.25	..	Tor. Gen. Tr.	3	167½	168	166	166
130	110	5.00	4	Tor. Mtge.	4	130	125	125	125
34½	28		...	Traders Fin B.	15	34½	34½	34½	34½
105½	103	4.50	4.3	Do. pref. 4½%	8	105	103½	103½	103½
21½	18	1.00	4.6	Do. A Rights	7	21½	21½	21½	21½
26	16		...	Twin City	14	22	20½	20	20½
12½	9½	.	...	Union Gas	1405	11	11½	11	11½
31	26	■.50	...	Un. Amuse. A.	30	29	31	31	31
32	27	1.50	4.7	United Corp. A	130	28½	32	31	32
31	24	■.25	...	Do. (B)	245	28½	28½	27½	27½
28	10	■.10	...	United Distill.	375	27½	27½	27½	27½
58	40½	3.00	5.6	United Fuel pf.	655	54	51	49½	50
11	6		...	Do. (B) pref.	225	9	9	8½	8½
20½	16	■1.00	..	United Grain A	20	18½	18	17½	17½
16½	5	.	...	United Secs.	10	8	7	7	7
13½	8½		...	United Steel	7765	11½	11½	11	11½
106	100	5.00	4.7	Viau Bisc. pref.	50	100½	106	106	106

Range 1946 High	Low	Div R'te $	June 28 Y'ld %		Sales	Last June 21	Week end. June 28 H	L	Cl'se
99	74½	4.00	4.4	Wabasso Cot.	220	94	94	91	92
156½	108	4.00	2.7	Walker-Good.	2016	139½	148	140	146
23½	21½	1.00	4.6	Do. pref.	1135	21½	22	21½	21½
14½	9½	■.25	...	West Brew	35	13½	13	13	13
3	2½	.	...	West Grain	150	2½	2½	2½	2½
220	145	3.00	1.4	West Grocers.	40	215	210	210	210
30	25	■.50	...	Westeel	215	27	27½	27	27
36½	27	.80	2.5	Weston, George	1325	35½	35½	32½	32½
108½	104½	4.50	4.2	Do pref.	20	106½	106½	106½	106½
13	11	.	...	Windsor Hotel.	13	12½	12½	12½	12½
21½	13½	.	...	Winnipeg El. A	15783	16½	16	14½	15½
105	94½	5.00	5	Do. pref.	115	101	101	101	101
29	24	1+.50‡	4	Wool Combing.	5	28	25	25	25
131	117	7.00	5.3	Wood, A & J p	5	130½	131	131	131
19	14½	.40	2.4	York Knitting	100	18	17½	16½	17
45	34	1.00	2.3	Zellers	100	44	44	43½	43½
29½	25½	1.50	5.3	Do. pref. 6%	20	28½	28½	28½	28½

†Paid in 1944. *Paid in 1945. ■Paid or payable in 1946. ▲N. Y. funds. ‡Extra. xOn arrears.

Mining Stocks

Week Ended June 28

Range 1946 High	Low	Div. Rate $	June 28 Yield %	Company	Sales	Last June 21	Week Ending June 28 High	Low	Close
.54	.25	.....	....	Alger	3,900	.27	.27	.26	.26
.30	.15	.....	....	Alta	3,500	.22	.23	.20	.20
1.20	.80	.....	....	Akaitcho	2,000	1.10	.95	.95	.95
2.40	1.50	.....	....	Amal. Lard.	7,033	1.55	1.60	1.50	1.60
.38	.25	.....	....	Amer. Y.K.	12,900	.25	.27	.25	.26
13.00	9.25	.20	2	Anglo-Hur.	582	9.30	11.00	10.00	10.00
1.95	1.30	.....	....	Anglo-Rou.	3,700	1.45	1.50	1.38	1.46
.30	.10	.....	....	Ansley	5,000	.10	.12	.10	.12
.86	.61	.....	....	Aquarius	3,700	.65	.73	.65	.73
.24½	.13½	.....	....	Area	3,000	.14	.15	.13½	.14
.55	.25	.....	....	Arjon	17,300	.33	.37	.30	.30
1.70	.68	.....	....	Armistice	22,400	1.30	1.40	1.19	1.20
.11½	.05	.....	....	Arno	2,900	.05	.07	.05	.07
.62	.26	.....	....	Arntfield	14,400	.29	.30	.26	.28
.22	.10	.....	....	Ashley	7,000	.10	.12	.10	.10
.87	.38	.....	....	Astoria Q.	89,850	.40	.45	.38	.40
2.05	1.35	.....	....	Goldbeam	1,200	1.50	1.50	1.45	1.50
.87	.38	.....	....	Gold Crest	14,200	.42	.48	.42	.42
.25	.09	.....	....	Gold Eagle	4,000	.12	.15	.13	.13
.79	.38	.....	....	Golden A.	10,600	.43	.43	.42	.43
.40½	.22½	.....	....	Golden G.	20,800	.25	.25	.23	.23
1.30	.82	.....	....	Goldhawk	4,038	.85	.91	.85	.86
2.90	2.00	.....	....	Gold Man.	7,300	2.55	2.80	2.50	2.50
.35	.14½	.....	....	Goldora	6,600	.16½	.20	.17	.20
1.15	.45	.....	....	Goldvue	42,260	.53	.55	.45	.50
.12½	.06	.....	....	Goodfish	500	.07	.06½	.06½	.06½
.26	.13	.....	....	Graham B.	800	.13	.17	.17	.17
.25	.14	.....	....	Grull W.	3,200	.15½	.16	.15	.15
.60	.40	.....	....	Gunnar G.	2,600	.40	.43	.43	.43
.18	.08	.....	....	Halcrow	9,900	.09	.11	.09	.10
.10	.05	.....	....	Halliwell G.	4,500	.05½	.05½	.05	.05½
1.24	.79	.....	....	Hard Rock	11,000	.90	.97	.86½	.87
.31	.17	.....	....	Harker	5,000	.19	.20	.19	.19½
.35	.20	.....	....	Harricana	39,700	.25	.26	.24	.24
2.70	1.50	.....	....	Hasaga	7,755	1.60	1.65	1.50	1.50
.31	.19	.....	....	Headway	7,900	.21	.24	.21	.21
.69	.32	.....	....	Heath	2,000	.33	.33	.32	.33
3.60	1.58	.....	....	Hedley M.	3,200	1.75	1.70	1.65	1.66
.63	.41	.....	....	Heva Cad.	70,200	.45	.49	.41	.44
19.75	14.00	†.20	....	Hollinger	2,440	14.37½	14.75	14.12½	14.25
.35	.18	.....	....	Homer Y'fe.	12,600	.18½	.20	.18	.19
.72	.47	.....	....	Hosco	36,400	.55	.54½	.51	.54
.73	.43	*.01	....	Howey Gold.	8,850	.46	.46	.44	.44
50.00	37.25	2.00	4.7	Hudson Bay	1,663	43.50	43.50	41.50	42.50
.65	.30	.....	....	Hudson R.	1,066	.50	.30	.30	.30
.30	.11	.....	....	Hugh Mal.	3,700	.12	.12	.11	.11
.80	.46	.....	....	Indian L.	20,400	.51	.60	.50	.51
1.65	.90	‡.02	....	Inspiration	2,800	1.00	1.00	.97	1.00
2.09	1.10	.....	....	I. Uranium	34,450	1.26	1.30	1.10	1.10
2.30	1.75	‡.05	....	Island M.	1,200	1.85	1.75	1.75	1.75
.11	.04	.....	....	Jacola	1,000	.04½	.06	.05	.05
1.15	.38	.....	....	Jack Lake	54,260	.46½	.46	.38	.41
.41	.17	.....	....	Jacknife	10,000	.21	.20	.17	.18
.37	.20	.....	....	Jack Waite	2,000	.22	.21	.21	.21
.65	.40	.....	....	Jason M.	20,388	.47	.47	.45	.46
.19	.08	.....	....	Jellicoe	333	.09	.09	.09	.09
.09	.03	.....	....	J. M. Cons.	2,614	.05	.05	.03	.04
2.25	.66	.....	....	Joliet Que.	30,700	.83	.90	.80	.80
.37	.13	.....	....	Kay Rand.	5,000	.18	.18	.16	.17½
1.76	1.50	.....	....	Kenville	14,900	1.63	1.65	1.55	1.55
17.87½	14.00	‡.15	....	K. Addison	11,275	14.00	15.25	14.00	15.25
2.30	1.30	.....	....	Kirk. H. Bay	1,000	1.40	1.40	1.40	1.40
2.90	1.75	†.02	....	Kirkland L.	9,120	1.86	1.90	1.85	1.85
.55	.20	.....	....	Kirk. Town	4,200	.25	.24	.20	.20
.06	.02½	.....	....	Knee Lake	2,000	.05	.02½	.02½	.02½
.13	.10	.....	....	Kootenay B.	500	.11	.11	.11	.11
11.00	7.00	.....	....	Labrador	3,360	7.95	8.00	7.85	7.95
.65	.35	.....	....	Laguerre	7,800	.39	.40	.38	.38
1.42	.75	†.02	....	L. Dufault	4,200	.80	.88	.80	.84
.19½	.11	.....	....	L. Fortune	3,000	.15½	.15	.13	.13
.42	.30	.....	....	L. Rowan	3,724	.35	.35	.30	.30
26.75½	18.00	.80	4.4	Lake Shore	1,210	18.50	18.87½	18.00	18.12½
8.00	5.20	†.22	....	La Luz	400	5.50	5.75	5.50	5.50
8.75	7.05	‡.18	....	Lamaque G.	340	7.20	7.20	7.05	7.05
.22	.12	.....	....	Lapa Cad.	500	.12½	.13	.13	.13
.70	.33	.....	....	Lapaska	35,500	.36	.43	.33	.37
.09	.03	.....	....	Lebel Oro.	4,500	.05	.05	.04½	.04½
1.55	1.35	.08	5.6	Leitch Gold	5,000	1.40	1.43	1.36	1.43
.37	.20	.....	....	Lexindin	1,700	.29	.28	.26	.26
1.46	1.00	.....	....	Lingman L.	48,700	1.08	1.24	1.05	1.09
.43	.17	.....	....	Lingside	18,100	.22	.23	.18	.20
3.45	2.25	.....	....	Little L.L.	10,409	2.30	2.50	2.25	2.35
16.25	11.75	‡.10	....	Ventures	675	13.75	14.00	13.25	13.25
.86	.33	.....	....	Vicour	3,100	.35	.35	.35	.35
.42	.15	.....	....	Villbona	4,900	.24	.24	.20	.20
5.00	4.25	.....	....	Waite Am.	2,525	4.30	4.25	4.25	4.25
1.67	1.00	.....	....	Wasa Lake	16,900	1.10	1.09	1.00	1.00
.55	.36½	.....	....	Wekusko	5,100	.39	.38	.36½	.38
.10	.07	.....	....	Wellington	1,000	.07	.07½	.07½	.07½
.60	.24	.....	....	West Mal.	6,250	.25	.30	.27	.27½
.32	.20	.....	....	Westville	500	.20	.20	.20	.20
.30	.15	.....	....	Wiltsey C.	6,600	.17	.18	.15½	.15½
.42	.20	.....	....	Winora	13,700	.24	.25	.20	.22
6.55	4.50	‡.15	....	Wright-Har.	2,285	4.50	4.80	4.50	4.50
.67	.25	.....	....	Yellorex	3,600	.25	.40	.36	.40
.39	.16	.....	....	Ymir Girl	13,125	.19	.18	.16	.17

Oil Stocks

Range 1946 High	Low	Div. Rate $	Yield %	Company	Sales	Last June 21	High	Low	Close
.11	.07	.....	....	Acme G.& Co.	1,500	.09	.09	.09	.09
.10	.05½	.....	....	Admiral	2,000	.10	.08	.08	.08
.21	.11½	.....	....	Alliance	5,500	.12½	.13	.12	.12
.34½	.10	.....	....	Alta. P. Cons.	614	.10½	.11	.11	.11
.09½	.04½	.....	....	Anaconda	1,000	.05½	.06	.06	.06
1.37	.95	■.05	....	Anglo Can.	17,450	1.12	1.12	1.08	1.09
.23	.10	.....	....	Apex	16,700	.12	.11½	.10	.10
.55	.20	.....	....	Br. Dom.	36,105	.25	.27	.20	.23
2.90	1.95	.10	5.1	Calg. & Ed.	9,490	1.95	2.14	1.97	1.97
.56	.28	.....	....	Calmont	1,014	.31	.35	.30	.32
.47	.29	†.03	....	Coastal	1,500	.40	.40	.38	.40
.15	.10	†.01½	....	Command	50	.10	.14	.14	.14
.36	.28	‡.00½	....	Commoil	250	.32	.32	.32	.32
.51	.40	.....	....	Common P.	600	.42	.40	.40	.40
.85	.30	.....	....	Dalhousie	773	.35	.36	.30	.32
.20½	.10	‡.01	....	Davies Pete	2,000	.12½	.12½	.12½	.12½
.13	.06	.....	....	East Crest	7,020	.07½	.07½	.06	.07
.45	.40	.....	....	Federated P.	5,550	.45	.45	.40	.40
2.15	1.45	‡.12½	....	Foothills	1,202	1.60	1.65	1.60	1.65
.02	.01	.....	....	Freehold	670	.01½	.01½	.01	.01
.05½	.03½	.....	....	Grease Creek	2,000	.03½	.03½	.03½	.03½
.04	.03	.....	....	Hargal	1,000	.03	.03½	.03½	.03½
.14½	.06	.....	....	High Sarcee	200	.07	.06½	.06½	.06½
4.40	2.95	■.15	....	Home	2,850	3.15	3.15	3.05	3.05
.11	.05	.....	....	Homestead	19,600	.08½	.08½	.07½	.07½
.03	.01	.....	....	Lethbridge	5,000	.01½	.01	.01	.01
.03	.01	.....	....	Madison	7,670	.01½	.01½	.01	.01½
.09	.02½	.....	....	Marvel	1,500	.05	.05	.04½	.05
.14	.05	.....	....	McD. Segur	522	.06	.07	.06	.07
.08	.04	.....	....	McLeod	2,784	.05	.05	.04	.04
.11	.04½	.....	....	Mercury	2,025	.05	.05	.04½	.05
.17	.08	.....	....	Midcont.	11,500	.09	.09	.08	.08
.13	.06	.....	....	Mill City	1,500	.06½	.06½	.06	.06½
.20	.11	‡.01	....	Nat. Pete.	2,000	.17½	.17	.17	.17
.42	.17	.....	....	Nordon	3,000	.25	.26	.26	.26
.07	.03½	.....	....	Oil Select.	1,000	.04½	.04½	.04½	.04½
.90	.40	.....	....	Okalta	2,350	.45	.49	.43	.49
.18	.07	.....	....	Pacalta	4,600	.08	.09	.08	.08
1.65	.75	.....	....	Pac. Pete.	14,300	.82	.95	.80	.88
.05½	.02½	.....	....	Phillips P.	1,000	.03	.03	.03	.03
.12	.09	.....	....	Princess P.	10,000	.09½	.10½	.09	.10
.02½	.01	.....	....	Richfield	1,175	.01½	.02	.01	.01
1.57	.80	.....	....	Roxana	12,110	.90	1.02	.85	.98
.05½	.03	.....	....	Royal Can.	1,500	.03	.03½	.03½	.03½
25.50	17.50	1.00	5.6	Royalite	1,122	18.25	18.50	17.50	18.00
.40	.18	.....	....	So. West Pete	100	.18	.18	.18	.18
.14	.07½	.....	....	Spooner	1,190	.09	.08½	.07½	.07½
.10	.07½	‡.01½	....	Sunset	1,000	.08	.08	.08	.08
.25	.10	.....	....	Turner V.	525	.15	.18	.10	.10
.14½	.07	.....	....	United Oils	3,100	.08½	.09½	.08½	.08½
.16½	.09	.....	....	Vanalta	1,300	.13½	.13	.12½	.13
.40	.20	.....	....	Vulcan	2,256	.22	.22	.20	.22

* Paid in 1944. ■ N. Y. Funds. † Paid in 1945. x Extra.
■ Sub. appl. F. E. C. B. ‡ Paid or payable in 1946. z Capital Repayment.

Volume of Stock Sales

	Montreal	Toronto	Vancouver	New York
July 1	......	......	......	2,130,000
June 29	......	......	......	......
June 28	128,700	865,000	92,943	1,410,000
June 27	169,600	1,198,000	68,574	1,600,000
June 26	96,600	667,000	46,708	1,410,000
June 25	102,100	722,000	56,530	1,250,000

Government Bonds

July 2, 1946 (Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask.
Victory Loans:			
3	June 1951	105½	106
3	Mar. 1954	105¾	106½
3	Nov. 1956	105¾	106½
3	May 1957	104¾	105½
3	Jan. 1959	104¾	105¾
3	June 1960	104½	105½
3	Feb. 1962	104½	105½
2	Dec. 1946	100¾	100¾
2½	Mar. 1948	101½	101¾
1¾	Nov. 1946	100½	100¾
1¾	May 1947	100½	100½
1¾	Mar. 1948	100¾	101
1¾	Nov. 1948	100¾	101
1¾	Nov. 1950	100½	101
3	Oct. 1963	104½	105½
3	Sept. 1966	104½	105½
1¾	Nov. 1949	100¾	101
Dom. of Canada Bonds			
3½	Nov. 1951	103½	104
4	Oct. 1952	103	103¾
3½	Feb. 1952	105	105¾
3	Oct. 1952	103½	104½
3	June 1955	104	104¾
4½	Nov. 1956	100¾	101½
4½	Nov. 1957	103¾	104½
3	June 1958	104½	105½
4½	Nov. 1958	105¾	106¾
4½	Nov. 1959	108½	108¾
3½	June 1966	106	107
3	Perpetual	103½	104½
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959	103½	104½
4½	Sept. 1951	124½	...
4½	Feb. 1956	132½	...
4½	July 1957	134½	...
3	Feb. 1953	101½	102¾
4½	June 1955	133¾	...
3	Feb. 1954	118¾	119½
5	Feb. 1970	126¾	...
5	Oct. 1969	126¾	...
Can. Natl. W. Ind. S.S.:			
5	Mar. 1955	133½	...
Grand Trunk Pacific Rly.:			
3	Jan. 1962	118½	...
4	Jan. 1962	130½	...
Provincial Govt. Bonds			
New Brunswick:			
3	Oct. 1951	101½	...
3½	Aug. 1949	100¾	102
3½	June 1956	104½	106
4½	Apr. 1961	130	...
5	Jan. 1960	135	...
Nova Scotia:			
3	Jan. 1952	103¾	105½
3½	June 1956	104½	106
3½	Nov. 1950	105½	107
4½	Sept. 1952	113½	...
4½	Nov. 1960	133	...
5	Mar. 1960	138	...
Ontario:			
3	Nov. 1950	101½	102½
3½	Nov. 1951	104	105½
3½	May 1955	105¾	107½
4	June 1962	130½	...
4½	June 1950	109	110½
4½	Jan. 1962	137½	...
5	Oct. 1948	106¾	108½
5	Dec. 1960	142½	...
5½	July 1946	100	101
Ont. Hydro Commission:			
3	Aug. 1948	100	101
3½	Feb. 1953	104½	105¾
3½	Apr. 1947	101	102½
Prince Edward Island:			
4	Mar. 1954	102	105
Quebec:			
3	Nov. 1947	101½	102¾
3½	Mar. 1948	101¾	103½
3½	Mar. 1959	105½	107
4	Nov. 1952	106¾	108½
3¾	Feb. 1955	106¾	108½
4½	Aug. 1958	113	115
4½	Jan. 1963	118	120
Alberta:			
3½	June 1964	103½	...
3½	June 1966	103½	...
3½	June 1968	108	...
3½	June 1972	108	...
3½	June 1973	108	...
British Columbia:			
4	Dec. 1957	124	...
4½	Jan. 1951	121	...
4½	Oct. 1953	125	...
5	Apr. 1954	129	...
6	Feb. 1947	103	...
Manitoba:			
4	Mar. 1957	123½	...
4½	Dec. 1956	136¾	...
5	Dec. 1959	138½	...
5	Oct. 1955	130	...
6	Apr. 1947	102¾	...
Saskatchewan:			
4	Sept. 1954	101¾	103½
4	Nov. 1960	102½	103½
4½	Oct. 1951	113½	...
4½	Mar. 1960	114½	...
5	Aug. 1958	112½	114¾
5½	Oct. 1962	111	113
6	Mar. 1953	112	114

Unlisted Stocks

(Compiled from quotations supplied by Kamm, Garland & Co., Kippen & Co. Inc., and Plaxton, McDonnell & Co.)

July 2, 1946

	Bid	Ask
Allens Toronto units	38.00	....
Anglo Can. Telephone A	12.75	13.50
Brandram Henderson	14.00	16.00
British Mortgage and Trust	165.00	....
B. C. Sugar	96.00	99.00
Canada Machinery Com.	18.00	19.00
Canada Paving 1st pfd.	7.75	....
Can. Investors Corp.	8.00	9.00
Can. Investment Fund	5.50	6.10
Canadian Motor Lamp A	13.00	14.50
Can. Silk Products "A"	31.00	33.00
Can. West Nat. Gas pfd.	106.00	....
Capital Trust Co. $100 par	75.00	85.00
Capital Wire Cloth com.	8.00	....
Capital Wire Cloth pfd.	23.00	....
Cawthra Apts. units	4.50	....
Chase, A. W. units	32.00	....
Colonial Steamships com.	86.00	93.00
Commercial Finance com.	12.00	14.00
Commercial Life 10% paid	7.00	8.50
Commonwealth Inter. Corp.	4.14	4.55
Confederation Life Assoc. 30% paid	150.00	....
Continental Life 20% pref.	38.00	....
Crown Trust & Guarantee	101.00	105.00
Detroit International Bridge	18.50	18.50
Dover Industries Ltd.	13.00	14.00
Dunlop Tire pfd.	26.00	27.50
Eddy Paper "A" pref.	22.50	23.50
Empire Life Ins. 25% paid	16.50	18.00
Federal Foundries & Steel Co., new common	2.65	3.25
Foreign Power Sec. pfd.	12.00	15.00
Galt Brass comm.	28.00	....
Goderich Elevator & Trans.	16.25	17.25
Great Lakes Power pfd.	116.00	....
Great West Life	420.00	450.00
Guardian Realty pfd.	38.00	....
Guelph and Ont. Svgs. $50	55.00	....
Gurney Foundry pfd.	3.25	4.00
Halifax Insurance	21.00	22.00
Hart Battery com.	8.00	10.00
Inter. Utilities $3.50 pfd.	56.00	58.00
Lambton Loan & Inv. $50	57.00	....
Loblaw Groc. Inc.	24.50	25.50
London & Western Tr. $100	94.00	....
Manufacturers Life Ins.	290.00	320.00
Maxson Food System	6.00	7.00
Mica Co. of Canada	2.50	3.00
Midland Loan & Svgs. $10	18.00	....
Monarch Life Assoc. 20%	83.00	....
Monarch Mtge. Units	4.00	4.75
Mountainview Apts. pfd.	9.50	....
Nat. Drug & Chem. com.	9.25	10.50
National Hosiery com.	9.50	....
Ont. Beauty Supply pfd.	20.00	22.00
Ont. Beauty Supply com.	2.50	3.00
Ont. Tobacco Plant units	37.00	....
Para. Kitchener units	55.00	....
Provincial Paper pfd.	107.00	109.00
Ruddy, E. L. pfd.	145.00	....
St. John Drydock pfd.	104.50	....
Sawyer Massey com.	2.25	....
Seiberling Rubber com.	10.50	....
Sincennes McNaughton Tugs	2.00	....
Sovereign Life Assce 25%	34.00	....
Standard Fuel pfd.	110.50	111.50
Standard Fuel com.	5.00	10.00
Third Can. Gen. Inv.	3.90	4.25
Toronto Carpet pfd.	95.00	....
Toronto General Ins.	6.00	7.50
Trusts & Guarantee $100	101.00	105.00
United Farmers Co-op	3.00	4.00
United Steel A pfd.	26.00	28.00
Victoria Trust & Svgs.	118.00	....
Waterloo Mfg. com.	10.00	11.50
Western Assurance com.	62.00	68.00
Western Grain com.	2.50	2.75
Western Grain pfd.	41.00	45.00

Unlisted Mines

Approximate quotations, 3 p.m., June 28, subject to confirmation:

Abenakis	.08	.10	Detta	.29	.33	Lingnora	.13	.15	Ortona	.07	.08
Advance	.14	.17	Despina	.30	.32	Louvore	.04	.06	Osulake	.83	.86
Alb Riv n	.35	..	De Sant n	.09	.11	MacFie	.35	.40	Pheps	.05	.07
Alcan	.07	.09	Dexter	.75	.85	Major Oil	.07	.09	Pinnacle	.08½	.10
Alexander	.23	.26	Dom Mal	.03½	.04	Mallen	.28	.32	Poona Go	.03	.04
Aljo	.04	.05	Dona Pat	.03	.04	Manterre	.09	.11	Presdor	.04	.05
Ama Kir	.13	.15	Doris	.26	.28	Marbenor	.30	.33	Privateer	.55	.60
Anna Que	.08	.10	Dunford	.07	.10	Marquette	.04	.05	Quest	.27	.30
Anoki	.07	.08	Eastward	.31	.33	Mar Bird	.16½	.18	Rajah RL	.07	.09
Apex Oil	.04	.06	Echo Ind	.31	.33	Mary Ann	.16	.19	Rambull	.03½	.04½
Argonaut	.09	.11	Electra	.14	.17	Mat Cou	.38	.41	Rand Mal	.11	.13
Arntfield	.05	.06	Elmac	.44	.47	Mate Yel	.08	.10	Raym Tib	.08	.10
Audley	.04½	.06	Erin Kirk	.04	.05	Metalore	.06	.08	Rebair	.41	.42
Aurlando	.10½	.13	Eurek Co	3.55	3.60	Mic of C	2.50	3.00	Redruth	.06	.10
Aurora Y	.64	.68	Flicka	.25	.30	Miles RL	.34	.36	Redwood	.09	.11
Auterra	.04	.07	Gilbec	.02	.02½	Moff't H n	.02½	.03½	Richgroup	.14	.17
Barb L n	.05	.07	Goodrock	.04	.05	Moh'k p	.03	.05	Ritoria	.07	.09
Blondor	.12	.14	Gord Leb	.08½	.09½	Murbell	.03	.04	Rhyolite	.05	.06
Bl Grass	.07	.09	Gov Gold	.11	.13	Murmac	.20	.23	Rnpun	.33	.36
Bouzan	.13	.15	Greenlee	.15	.18	Mylamaq	.69	.72	Salmita	.38	.43
Bourlam	.12	.14	Gwillam	.18	.20	McCuaig	.13	.15	Santiago	.39	.43
Brae Br	.09	.11	Habitant	.13	.15	McManus	.19	.20	Sepha	.09	.10
Bravo	.07	.09	Harp Mal	.04	.06	Nat Mal	.30	.33	Sheldon	.47	.52
Brewis	.31	.35	Hayes CD	.03½	.05	Nayb '45	.48	.52	Skyn Lk	.03	.05
Brig RL	.14	.16	Highridge	.10	.11	Nereco	.17	.21	Sovereign	.17	.19
Brock	.17	.19	Hornifault	.19	.22	New Aug	.12	.14	Steeber	.02	.04
Burley P	.03½	.04½	Hoyle	.16	.19	New Mj	.07½	.09	Sun Bear	.09	.11
Camlaren	.09	.11	Hugh P	.09	.11	Nic Off	3.00	..	Thornhill	.09	.11
Carlmac	.38	.43	Independ't	.12	.14	Norbeau	.85	.90	Tiffany	.08	.10
Carricona	.06	.08	Indyke	.15	.20	Norcourt	.10	.12	Tobico	.04	.05
Cassidy	.17	.20	Joannes D	.05	.06	Norford	.09	.11	Tovarich	.03½	.04½
Cen Mani	.07	.09	Kamlac	.44	.47	Normar	.13	.15	Typhoon	.39	.42
Cheskirk	.23	.26	Ken-Bay	.12	.15	Nortyne	.04	.06	Val d'Bel	.05	.07
Chimo	.58	.63	Kencour	.05	.06½	Novele P	.08	.10	Vin Min	.95	1.00
Cock RL	.10	.11	Kenda P	.29	.32	Obalski	.24	.26	Vinray	.32	.35
Columbier	.17½	.19	Kenroy	.05	.08	Do. 1945	.62	.65	Virginia	.33	.36
Con Chib	.33	.36	Lk Rowan 1945	.33	.37	Obaska	.24	.28	Wesley	.03½	.04
Con Cop	.28	.31	Lk Expa	.11	.14	Okled	.09	.11	West RL	.08	.10
Courageo	.14	.18	Lar-Add	.06	.08	Olivet	.03½	.04½	W Shore	.05	.06
Craibbe	.33	.36	Lard U	.08	.10	Opemiska	.22	.25	Wilwood	.07	.09
Croydon	.08	.10	La Salle	.19	.21	Orpit	.07	.10	Winchest	.18	.20
Cuyuni	1.10	1.20	Lavalie	.10	.12	Pascalis	.30	.33	Wingait	.19	.21
D'Aragon	.27	.30	Legardo	.04	.05	Peg Tan	2.40	2.60	Y Davids	.36	.39
Derlak	.05½	.07				Pelangio	.07	.09			

Grain Prices

Winnipeg Grain Futures

Week to June 29, 1946

Crop year from Aug. 1, 1945 High	Low		High for week	Low for week	Close June 29
		Oats*			
.51½	.51½	May	.51½	.51½	.51½
		Barley*			
.64¾	.64¾	May	.64¾	.64¾	.64¾
		Rye			
3.15	1.49¼	July	3.15	2.99	3.12
2.82	1.50⅞	Oct.	2.82	2.67	2.82
2.72¼	1.81⅛	Dec.	2.72¼	2.57¼	2.72¼

*At ceiling.

Cash Quotations

	For Week June 29 High	Low	Prev. Week High	Low
Oats*				
2 C. W.	.51½	.51½	.51½	.51½
3 C. W.	.51½	.51½	.51½	.51½
Barley*				
1 Feed	.64¾	.64¾	.64¾	.64¾
2 Feed	.64¾	.64¾	.64¾	.64¾
Rye				
2 C. W.	3.15	3.02	3.10	3.01⅝

*At ceiling.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 8	Milling 4	Oils 4	Textiles and clothing 9	Food and allied prod. 13	Beverages 8	Bldg. mater. 16	Power and traction 14	Banks 8	Total utilities 18	Total co's. 100
(Base 1935-39=100)												
*1935 to date:												
High	210.2	287.9	149.7	122.7	214.4	138.5	422.6	168.5	146.2	135.3	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.3	62.1
1946: Monthly Figures:												
Jan.	168.2	252.6	130.6	90.0	183.7	127.8	357.6	140.0	125.7	121.6	142.6	122.9
Feb.	172.0	248.5	132.1	84.8	187.8	130.3	334.0	150.5	122.7	126.8	140.0	121.9
Mar.	189.2	244.4	130.6	81.6	186.8	129.0	327.8	148.6	121.7	129.2	142.4	119.3
Apr.	207.0	277.2	141.4	84.6	200.2	134.6	353.8	160.6	124.8	133.6	140.4	125.1
1946: Weekly Figures:												
May 2	206.0	277.2	143.0	83.5	203.5	136.9	381.2	161.6	124.2	133.7	142.9	123.5
May 9	203.7	274.2	146.3	75.5	203.6	135.3	389.2	160.4	122.6	134.6	140.9	122.9
May 16	202.0	273.8	141.0	74.4	206.3	136.6	409.2	162.4	119.0	134.1	140.5	122.5
May 23	207.6	277.3	133.6	74.1	208.3	136.5	421.1	164.8	117.0	132.9	140.6	125.0
May 30	210.1	287.9	137.4	74.6	212.9	137.9	422.6	168.5	112.5	134.3	140.6	126.1
June 6	207.1	284.7	137.4	74.3	214.4	137.3	412.3	167.6	108.8	132.9	138.6	122.6
June 13	204.2	286.1	141.2	73.1	210.9	138.5	409.4	167.6	110.0	135.5	141.4	124.3
June 20	199.7	277.3	143.7	71.9	206.8	134.6	403.0	166.7	109.7	135.2	138.4	121.7

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
July 1	....	....	....	....
June 29	....	....	....	....
June 28	205.36	120.07	98.94	25.65
June 27	205.85	121.37	99.85	26.02
June 26	203.68	120.27	97.41	26.15
June 25	202.93	120.37	97.43	25.71
Month ago	207.18	122.03	104.02	27.29
Year ago	153.26	126.98	83.39	30.14
1946 High	207.83	147.31	106.20	33.69
1946 Low	178.73	119.90	94.34	25.65

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Comb.	10 Ppra.	15 Golds
July 1	...	....	....	....	....
June 29	...	....	....	....	....
June 28	79.2	146.1	123.8	372.28	97.42
June 27	79.3	146.8	124.3	386.60	97.82
June 26	79.4	145.6	123.5	372.42	97.35
June 25	79.2	145.7	123.5	373.96	97.46
Month ago	82.1	149.1	126.7	403.82	98.58
Year ago	66.4	102.4	90.4	196.82	97.45
1946 High	83.9	149.4	126.7	410.80	118.56
1946 Low	73.5	126.3	109.4	304.39	97.04

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
July 1	206.47	65.78	42.06	77.03
June 29	....	....	....	....
June 28	205.62	65.81	42.10	76.86
June 27	205.03	65.88	41.95	76.71
June 26	202.10	64.93	41.47	75.64
June 25	202.54	65.18	41.62	75.86
Month ago	211.47	66.92	43.46	78.84
Year ago	165.96	60.73	33.35	64.20
1946 high	212.50	68.33	43.74	79.44
1946 low	186.02	60.52	37.97	69.21

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$14.01	$14.18	$12.58
Hogs	21.00	20.85	17.79
Copper, lb.	*.12	.12	.12
Sugar, raw, lb.	*.04205	.04205	.04205
Coffee, lb.	.09⅜	.09⅜	.09⅜
Hides	*.15½	.15½	.15½
Weekly Indices			
U. S. Labor	112.4	111.8	105.9
Dow Jones	118.13	116.67	99.62
Fishers	122.5	121.9	115.8
Monthly Indices			
Retail (Apr.)	120.8	120.1	118.7
W'sale (Apr.)	125.1	119.2	94.2
U. S. (Mar.)	108.9	107.7	105.3
Gt. Brit. (Mar.)	171.9	171.6	167.8

Note:—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good over 1,050 lb., top price, Toronto. Copper-electrolytic, New York. No. 7 coffee. Rio Sugar 96 degrees centrifugal c/f New York.

*Ceiling prices fixed by the office of Price Administration.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
‡Avalon Tel.	4½%	1958	Aug. 1	103½
‡Can. Theatre	5%	1951	Sept. 1	100
‡Can. Vickers A.	6%	1947	Aug. 1	101
‡Dryden Paper	6%	1949	Aug. 1	101
Gt. Lakes Pwr.	5%	1959	Aug. 6	103½
Maple L. Mill.	3½%	1956	Aug. 1	101
Maritime Elec.	5½%	1956	Oct. 1	101½
‡Minas Basin P. & P.	5½-6½%	1949,'56-57	Aug. 1	103
‡Do.	5½%	1953	Aug. 1	101½
‡Do.	5½%	1954-55	Aug. 1	102
‡Mtl. Dry Docks	6%	1947	Aug. 1	101
‡Nfld. Lt. & Pwr.	4½%	1956	July 19	101½
Paton Mfg.	4½%	1956	Sept. 1	102
‡Silverwood Dair.	6%	1966	July 31	100
‡St. John D. D.	3%	1947-51	July 5	101
‡Do.	3½%	1952-59	July 5	102

‡All outstanding.

Investment Trusts

	Bid	Asked
Affiliated Funds	4.92	5.38
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	5.45	6.05
Can. Invest. Corp.	8.00	9.00
Commonwealth Int.	4.14	4.55
Corporate Inv.	9.70	10.45
Trans-Canada (A)	15.45	....
Do. (B)	...	14.80

Permit Farmers, Writers Average Their Incomes

Income tax changes effected in Rt. Hon. J. L. Ilsley's budget last week, were not so far-reaching as many quarters had anticipated; but they still affect many groups of taxpayers in varying ways. A few highlights of the changes are summarized herewith:

Farmers and fishermen, outstanding examples of fluctuating incomes, are to be allowed to average their income for current year and two preceding years—less than the five-year period desired by agriculturalists. The main complaint was that in averaging profits and losses, the farmer lost the advantage of his personal exemption, when compared to the salaried person on an even level of income over the years.

Literary and musical composers spending several years on a major work may now apply an average, it is proposed. Canadian authors, Gwethalyn Graham, with "Earth and High Heaven" and Thomas Costain, with "The Black Rose," received high returns in the year of publication. The proposal would allow this to be averaged back over the years in which the work of composition was actually done.

Some employees may be taxed more heavily in the years of receipt of bulk sums from employing companies. Previously, one third of lump sum withdrawals from pension funds were considered as income. Similarly a retirement bonus and a bonus for loss of employment were considered as all income, but spread over five-year periods. After June 27, such payments, it is understood, are to be treated as income for the year of payment. The only concession now proposed is an option of adding the payment to the current year's income with payment of tax on ordinary basis of calculation; alternative of applying the net rate of tax applicable to the last full year of employment.

The principle of allowing depreciation at up to double rate on new plant and equipment required for reconversion is continued. But power is given to the cabinet to restrict the kind of industry to which this concession may be applied.

Country-wide agitation for relief from interest on tax arrears is given consideration. It is now proposed that if the tax department delays assessment of a return more than 20 months after the date for filing the return, interest shall be dropped and not picked up again until one month after the assessment has been sent out by the department. Similar agitation by organizations for allowance of interest on overpayments has not yet borne fruit.

Special Appeal Boards

A technical victory for accounting, legal and commercial bodies, is seen in establishment of special appeal tribunals for taxpayers as recently recommended by the Senate income tax committee.

One student of income tax law feels that the proposed new tribunal will have no more control over the discretion of the minister than now is available to the Exchequer Court. Should experience with the new practice prove this to be the case, accountants, lawyers and businessmen may find the proposed appeal tribunal a hollow victory.

Company Meetings

1946	Company	Place
July 8	Dom. Coal	Sydney, N.S.
July 11	Standard Chemical	Toronto
July 11	Standard Fuel	Toronto
July 15	Consolidated Press	Toronto
July 15	Golden Gate Mining	Toronto
Aug. 21	Canada Cement	Montreal

Municipal Bonds

July 2, 1946

	%	Due	Bid	Ask.	Yld. %
Halifax	3½	1955	107¼	108¾	2.90
Hamilton	5	1950	109	110½	2.25
Montreal	3	1950	100	101	2.77
Ottawa	3	1953	105¼	106¾	2.00
Quebec	3	1964	100	102	2.85
†Quebec	5	1959	130	...	...
Saint John	5	1950	109¼	111¼	2.35
†Toronto	4½	1955	128	...	...
†Vancouver	5	1970	144	...	...
Winnipeg	7	1950	112	114	2.25

†Payable Canada and New York.

National Grocers Co. Expansion Continues

The postwar expansion and improvement program of National Grocers Co. is continuing, President H. L. McNally told the annual meeting. New warehouses at Lindsay and Brampton are completed and renovations are under way on the Chatham warehouse. Including newly purchased transport equipment the company now has 180 trucks.

Directors have discussed refunding of the present preferred stock but no decision has been reached. In view of the present expansion program, refunding might be considered inopportune at present, the president told the meeting.

Dividends Declared

	This payment $	Date payable	Date of record
Ang.-C. Tel. 5½%	.68¾	Aug. 1	July 10
Anglo-Huron	.10	July 31	June 29
Bath. Pr.	.25	Sept. 2	Aug. 2
Bk. of Nova Scotia	30	Aug. 1	July 16
Beaver Lumber	.50	Aug. 1	July 16
Bell Tele.	2.00	July 15	June 22
Belding Cort.	1.50	Oct. 1	Aug. 31
Do., 7% pf.	1.75	Oct. 1	Aug. 31
Biltmore Hats	.17	July 15	June 30
Brant Cordage	.12½	July 15	June 20
Do., pref. $1.30	.32½	July 15	June 20
Brant. Roofing	*.25	Aug. 1	July 15
B. C. Power	40	July 15	June 29
Butterfly Hosiery 7% pfd.	3.50	July 30	June 30
Caldwell Linens	.25	Aug. 1	July 10
Do., 1st pf.	.38	Aug. 1	July 10
Do., 2nd pref.	.20	Aug. 1	July 10
Can. N. Pwr.	.15	July 25	June 20
Do., 7% pref.	1.75	July 15	June 20
Can. Gen. Invest.	.15	July 15	June 29
Can. Invest. Corp.	.10	Aug. 1	July 8
Can. Indust. A & B	1.50	July 31	June 28
Do., 7% pfd.	1.75	July 15	June 14
Carnation Co.	1.00	July 1	June 18
Cockshutt Plow	.25	Dec. 2	Nov. 2
Confed. Life	1.50	Sept. 15	Sept. 10
Do.	1.50	Dec. 15	Dec. 10
Com. Alcohol	.05	July 15	June 29
Do., 8% pfd.	.10	July 15	June 29
Crown Cork	.50	Aug. 15	July 15
Can. Bk. Comm.	.20	Aug. 1	June 29
Can. Fairbanks 6% pf.	1.50	July 15	June 29
C. P. Rlwy. 4% pf.	2%	Aug. 1	July 1
Can. Wallpaper	1.00	July 18	July 5
Crown Life	5%	July 2	June 28
Can. Convert. A.	.18¾	July 31	July 2
Can. Oil	.15	Aug. 15	Aug. 1
Do., 8% pf.	2.00	Oct. 1	Sept. 20
Do., 5% pf.	1.25	Oct. 1	Sept. 20
Davies Pete.	07	July 20	July 2
Debenture Corp.	2.50	July 2	June 21
Dist.-Seag. 5% pf	†1.25	Aug. 1	July 16
Dom. Anglo-Invest.	3.00+2.50	July 15	June 30
Do., 5% pf.	1.25	Sept. 2	Aug. 15
Dom. Bank	25	Aug. 1	July 15
Dom. Coal, 6% pf.	.38+1.87	July 31	June 29
Dome Mines	.30	July 30	June 29
Dom. Dairies 5% p.	.44	July 15	June 29
Dom. Glass	.25	July 15	June 27
Do. 7% pf.	.35	July 15	June 27
Dom. Fabrics	.20	Aug. 1	July 15
Do., 1st pf.	.75	Aug. 1	July 15
Do., 2nd pf.	.37½	Aug. 1	July 15
Dom. Fire	3.00	July 2	June 30
Dom. Oilcloth	.30+.10	July 31	July 2
Dom. Malt	.20	Aug. 1	June 30
Do., 5% pfd.	1.25	Aug. 1	June 30
Dom. Tar & Ch.	.25	Aug. 1	July 2
Dover Ind.	.20	July 2	June 14
D. Textile 7% pf.	1.75	July 15	June 5
Electrolux	.30	Aug. 2	July 2
Ensign Ins.	1.50	July 2	June 30
Excelsior Life	4%	July 2	June 30
Foundation	.35	July 19	June 29
Fraser	.50	July 25	June 29
Gen. Steel Wares	.20	Aug. 15	July 17
Do., 5% pf.	1.25	Aug. 1	July 3
Gen. Trust Co.	1.25	July 15	June 29
Grandview Mines	.01	July 15	June 15
Guaranty Trust	1¼%	July 15	June 30
Gt. Lakes Power	1.75	July 15	June 29
Holt, Renfrew 7% pref.	3.50	July 15	June 15
Howard Smith	.25	July 30	June 29
Do., pf. $2.00	*.29	July 20	June 29
Howe Sound	.30	June 29	June 21
Hud. Bay	.50	Sept. 9	Aug. 9
Imp. Bk. of Can.	.25	Aug. 1	June 29
Imp. Life	3.75	July 2	June 28
Int. Milling	1.00	July 15	June 28
Int. Bronze	.25	July 15	June 15
Inter-City Baking 6% pfd.	.37½	July 15	June 15
Int. Nickel, 7% pf.	1¾%	Aug. 1	July 3
Jour. Pub. Co.	.17	July 15	June 18
Inv. Foundation p.	.75	July 15	June 15
John Labatt	.25	July 15	June 28
Lake of Woods	.30	Sept. 3	Aug. 3
Do., 7% pf.	1.75	Sept. 3	Aug. 3
Lake St. John Pr.	.50	July 15	June 21
Langley's 7% pfd.	.30	Sept. 11	Sept. 4
Do.	.30	Dec. 11	Dec. 4
C. W. Lindsay & Co. 6½% pf.	4.00	July 15	June 12
Lowney Co.	.12½	July 15	June 15
Maple Leaf Gard.	.70	Aug. 15	Aug. 1
McCabe Grain	.15	Aug. 1	July 15
Mercury Mills	.25	Aug. 1	July 15
Monarch Knit	a.20	Oct. 1	Aug. 31
Do. 6% pf.	1.25	Oct. 1	Aug. 31
Mtl. Telegraph	♦.48	July 15	June 15
McIntyre Porc.	.55½	Sept. 3	Aug. 1
Mt. Royal Rice	*.12½	July 31	July 8
McColl-Fron. 6% pf.	1.50	July 15	June 29
Nat. Biscuit	†.30	July 15	June 11
Nat. Steel	.37½	July 15	June 15
New Eng. Pr.	.50	July 1	June 21
Do., 6% pf.	1.50	July 1	June 21
Ogilvie Flour	.25	Oct. 1	Aug. 28
Do., 7% pf.	1.75	Sept. 3	July 26
Ont. Steel	.25	Aug. 15	July 15
Do., 7% pf.	1.75	Aug. 15	July 15
Penmans	.75	Aug. 15	July 15
Do., 6% pf.	1.50	Aug. 1	July 2
Power Corp.	.30	July 31	June 28
Preston E. Dome	.03	July 15	June 15
Purity Flour	.62½	Aug. 1	July 5
Proprietary Mines	.05	July 8	June 8
Power Corp. 6% p.	1.50	July 15	June 20
Do., 2nd pfd.	.75	July 15	June 20
Quebec Pwr.	.25	Aug. 26	July 18
Reg't Knit $1.60 p.	.40	Sept. 1	Aug. 1
Do.	.40	Dec. 2	Nov. 2
Riverside Silk	.50	July 12	June 22
Shawinigan Wtr.	.25	Aug. 26	July 18
Sheep Creek	1½	July 15	June 29
Sherritt Gord.	.02	July 6	May 28
Sherwin-Williams	.15	Aug. 1	July 10
Sigma Mines	.30	July 27	June 28
St. Law. Corp. 4% p	.25	July 15	June 21
St. Law. Flour	.40	Aug. 1	July 29
Do., 7% pf.	1.75	Aug. 1	July 29
St. Law. Pap. 6% pf.	.75+1.50	July 15	June 21
Southern Can. Pr.	.20	Aug. 15	July 19
Do., 6% pfd.	1.50	July 15	June 20
Stanley Brock, A	.15	Nov. 1	Oct. 15
Do., B	.10	Nov. 1	Oct. 15
Stan. Chem. 5% p.	1.25	Sept. 1	July 31
Stand. Radio	.10	July 10	June 21
Stanley Brock, A	.15	Aug. 1	July 15
Do., B	.10	Aug. 1	July 15
Steel Co. of Can.	.75	Aug. 1	July 8
Do., 7% pf.	.75	Aug. 1	July 8
Teck-Hughes	.05	Oct. 1	Aug. 26
Thrift Stores	.20	July 15	June 30
Trader's Bldg.	1.00	July 15	July 5
Tuckett Tob., 7% p.	1.75	July 15	June 28
Ventures Ltd.	•.10	July 6	June 12
Viceroy Mfg.	.75	July 5	June 28
Wellington Fire	1.75	Aug. 15	Aug. 12
West. Grocers	.75	July 15	June 14
Do., 7% pf.	1.75	July 15	June 14
Willson Sta., 5% pf.	1.25	July 15	June 28
Wood, A. & J., Ltd.	1.75	Aug. 1	July 15
Wool Comb.	.25	July 10	June 25
Zellers Ltd.	.25	Aug. 1	July 15
Do., 5% pf.	.31¼	Aug. 1	July 15
Do., 6% pf.	.37½	Aug. 1	July 15

†N.Y. funds.
‡Extra.
*Initial.
zParticipating divd.
aFor period June 1-Sept. 30.
•Sub. app. F.E.C.B.
♦Net pay. after deducting corp. income tax.

Corporation Bonds

(Supplied by Investment Dealers 'Association of Canada)

July 2, 1946

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
aAlg Cen. H.B.R.	5	'59	58½	61½	59
†Assoc. Tel. & T.	5½	'55	114	116	114½
B. C. Pwr.	4½	'60	102	104	102
Do.	4	'65	102½	104½	102½
†Calgary Pwr.	5	'60	114½	...	114½
Do	5	'64	104½	107	104½
Gatineau Pr. A	3¾	'69	114	116	114
aDo., B	3¾	'69	104	106	103½
Gt. Lakes Pwr.	4½	'56	102	104	102
Do	5	'57	102	104	102
*Int. Hydro-El.	6	'44	108	110½	107
L. St. Law. Pr.	3¾	'65	102½	105	102½
Mtl. L. H. & Pr.	3½	'56	101	103	101
Do.	3½	'73	100	102	100
Do.	3½	'63	102	104	102
†Mtl. Tramways.	5	'51	111½	113½	112½
†Do.	5	'55	101	103	101
Natl. Lt. & Pwr.	4½	'61	101½	104	101½
Otta. L. H. & P.	4	'57	102½	...	102½
Ottawa V. Pwr.	5	'59	101½	...	101½
Do.	4	'64	105½	...	105½
†Power Corp.	4½	'59	114½	...	114½
Quebec Pwr.	3	'62	101½	103½	101½
St. Maurice Pr.	3¾	'70	103	105	103
Shaw. W. & Pr.	3	'61	101½	103½	101½
Union Gas	4½	'50	100½	103	100½
†United Secs.	3	'52	99	102	99
†Wpg. El. Ser. A	3¾	'71	102½	104½	102½
Industrial and Realty Issues:					
†Abitibi Pr. P.	5	'53	108½	110½	108½
Acadia-Atlantic Sugar	3¾	'63	102½	...	102½
Algoma Steel	5	'48	101	103½	101
†B. C. Pulp & P.	6	'50	109	...	108½
‡†Do.	7	'50	101	103½	101
Brown Co.	5	'59	108½	111	109½
Burns & Co.	4	'63	101½	104	101½
Can. Celanese.	3½	'59	101½	...	101½
Can. Cement	4½	'51	101	103	101
Can. Electric	4½	'65	101½	...	101½
Can. Steamship	3½	'57	102	104½	102
†‡Can. Vickers	6	'47	111½	...	111½
C. W. Lumber	4	'62	102½	105	102½
C. P. R.	3½	'51	104½	...	104½
Do.	4	'49	106	...	106
C. P. R.	4	Perp.	124	...	124½
†Consol. Paper	5½	'61	111	113½	111
Dom. Coal	4½	'52	101	103½	101
Dom. Scot. Inv.	4	'52	101	...	101
Dom. T. & Ch.	3½	'57	101	...	101
Dom. Textile	3½	'59	102½	...	102½
Dom. Woollens	5	'64	102½	105	102½
†Donnacona Pp.	4½	'56	110	112½	109½
*Dryden Pap.	4	'61	102	104	101½
†Federal Grain	4	'64	102½	104½	102½
*Great L. Paper	5	'55	111½	...	111½
*Gurney Fdry.	5½	'49	103	...	103
†Gypsum Lime	5½	'48	110	112½	110
Inter-City Bak.	5½	'48	100½	...	100
Indust. Accept.	4	'52	101	...	101½
Int. Ex. Bldg.	3	'51	98½	101½	98½
*Inv. Bond & Sh.	5	'47	98½	101½	99
Lake St. J. P.	5½	'61	102	104½	102½
Do.	5	'61	102	104½	102
Legare	6	'61	100½	...	100½
MacMillan (H.R.) Export	4	'65	102½	105	102½
Maple L. M.	3¾	'63	102½	104½	102½
Man. Sugar	5	'60	102½	105	103
Massey-Harris.	3	'66	100	102	100
McColl-Fron.	4½	'49	101	...	101
McCormicks	4	'52	101½	...	101½
Mercury Mills.	4	'59	102	...	102
Moirs Ltd.	6	'53	100	...	100½
‡Mtrl. Drydocks	6	'48	100	...	100
Montreal Apts.	4	'54	98	101	98
N. S. Stl. Coal.	3½	'63	99½	102½	99½
Price Bros.	3½	'66	103	105	103
*Prov. Paper	5½	'47	110½	...	110½
Silv. Dairies	4	'60-64	101½	104	101½
Simpsons, Ltd.	3½	'60	102	104	102
Toronto Elevat.	3½	'66	101½	...	101½
United Corp.	4	'58	101	...	101
†Western Grain.	5	'63	103	106	103
York K. Mills.	3½	'71	99½	102	...

*Payable in Can. or U. S.
†Payable in Can. U. S. or U. K.
*Payable in U. S.
aPayable in Canada only.
‡Traded without accrued interest.
aPayable in Can. or U. K.

MONTREAL STOCK EXCHANGE has admitted 150,000 common shares of Donohue Brothers Ltd. to the trading list.

Lake of the Woods Milling Company Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN THAT a dividend of 1¾% has been declared on the Preferred Shares of the Company, payable on September 3rd, 1946, to shareholders of record at the close of business on August 3rd, 1946.

By Order of the Board,
D. A. MacINNES, Secretary.

NOTICE IS HEREBY GIVEN that the regular quarterly dividend of 30 cents per share has been declared on the outstanding shares of Common Stock of the Company, payable September 3rd, 1946, to shareholders of record at the close of business on August 3rd, 1946.

By Order of the Board.
D. A. MacINNES, Secretary.

N. SLATER COMPANY LIMITED

HAMILTON - CANADA

NOTICE IS HEREBY GIVEN that a Quarterly Dividend of Thirty Cents (30c) per share on the Common Shares of the Company was declared, payable on the first day of August, 1946, to shareholders of record at the close of business on the 10th day of July, 1946.

J. G. DAVIES, Secretary.

Hamilton, Ont.

McCABE GRAIN COMPANY LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of 15 cents per share on the outstanding Class A shares of the Company has been declared payable August 1st, 1946 to shareholders of record July 15th, 1946.

By Order of the Board.
C. E. AUSTIN, President.

ANGLO-CANADIAN TELEPHONE COMPANY

Preferred Dividend Notice

NOTICE is hereby given that a dividend of One and Three-Eighths percent (1⅜%) has been declared on the 5½% Cumulative Preferred Stock of the Company for the quarter ending July 31, 1946, payable August 1, 1946, to Stockholders of record at the close of business on July 10, 1946.

By Order of the Board,
CAMERON HOUGH, Secretary.

Montreal, June 7, 1946.

Belding-Corticelli Limited

Notice of Preferred Stock Dividend No. 127

A dividend of one and three-quarters per cent (1¾%) has been declared on the Preferred Stock of this Company, for quarter ending 31st August, 1946.

Notice of Common Stock Dividend No. 82

A dividend of One Dollar and a Half ($1.50) has been declared on the Common Stock of this Company, for quarter ending 31st August, 1946.

The above dividends are payable on the 1st day of October, 1946, to Shareholders of record at the close of business the 31st day of August, 1946.

BY ORDER OF THE BOARD.
D. F. Pollock, Secretary.

Brantford Roofing Company Limited

NOTICE OF DIVIDEND

An interim dividend of twenty-five cents per share has been declared on the outstanding common shares of the Company, payable August 1st, 1946, to shareholders of record July 15th, 1946.

By Order of the Board.
R. D. PAUL, Secretary.

Brantford, Ontario, June 11th, 1946.

Canada Iron Foundries Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of 3% on the $10.00 par value 6% Non-Cumulative Preference Shares of this Company has been declared for the half year ended June 30th, 1946, payable August 1st, 1946, to Shareholders of record July 15th, 1946.

Notice is also given that a dividend of 4% on the $10.00 par value Common Shares of this Company, has been declared for the half year ended June 30th, 1946, payable August 1st, 1946, to Shareholders of record July 15th, 1946.

By Order of the Board.
M. S. GROGAN, Vice-president & Secretary-Treasurer.

Montreal, June 28th, 1946

NOTICE OF DIVIDEND NO. 36
UNITED GRAIN GROWERS LTD.

Class "A" Shares

Notice is hereby given that the Board of Directors have declared a dividend at the rate of 5% on the paid up par value of Class "A" (Preferred) Shares (par value $20.00 each).

This dividend will be paid on or about September 1st, 1946, to holders of such shares of record at the close of business on Wednesday, July 17th, 1946.

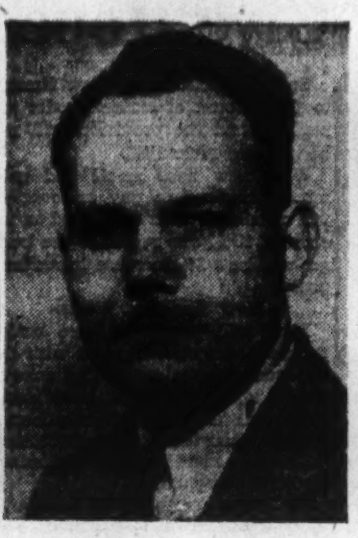
By Order of the Board.
CHAS. C. JACKSON, Secretary.

June 15th, 1946.
Winnipeg, Manitoba.

Photographic Survey Company Limited Appointments

J. G. WILKINSON

RUSSELL A. YOUNG

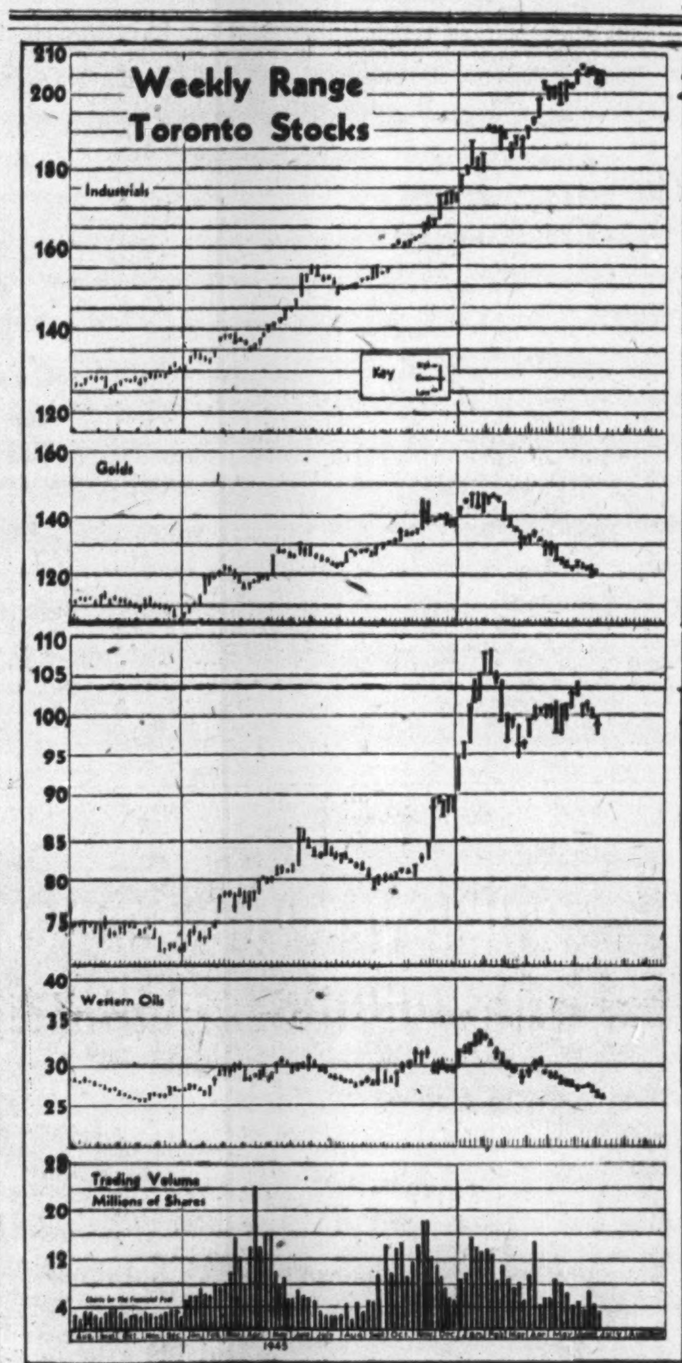


JACK C. REID

G. CHERRINGTON

Mr. Douglas N. Kendall, Managing Director of Photographic Survey Company Limited, announces the appointment of J. G. Wilkinson, Chief Photogrammetrist, Russell A. Young, Secretary Treasurer, Jack C. Reid, Chief Photographer and G. Cherrington as Head of the Flying Unit.

Previous to the outbreak of war J. G. Wilkinson was engaged in general air survey work with the Aircraft Operating Co., Ltd., London, England. For over five years in charge of the photogrammetric and mapping section, Central Interpretation Unit, R.A.F. and during 1945 in charge of a similar section in India. Russell A. Young had wide executive experience with various organizations in Canada including six years with the Canadian Army Overseas. Jack C. Reid gained wide experience in photography before the war. Saw 6½ years service in the R.C.A.F., during part of which he trained Pilots and Navigators in that important phase of their work "Air Photography." For the past two seasons G. Cherrington has commanded No. 14 Squadron R.C.A.F. at Rockcliffe who have carried out the bulk of the Air Photography in Canada.



DIVIDEND NOTICES

ZELLER'S LIMITED

DIVIDEND NOTICE

Notice is hereby given that the following Dividends have been declared by the Directors of Zeller's Limited for the quarter ending July 31st, 1946.

On the 6% Preferred Shares, the regular one and one-half (1½) per cent (37½ cents), payable August 1st, 1946, to Shareholders of Record July 15th, 1946.

On the 5% Preferred Shares, the regular one and one-quarter (1¼) per cent (31¼ cents), payable August 1st, 1946, to Shareholders of Record July 15th, 1946.

On the No Par Common Shares, 25c per Share, payable August 1st, 1946, to Shareholders of Record July 15th, 1946.

By Order of the Board,
T. E. McDERMOTT, Treasurer.

DIVIDEND NO. 27
Hudson Bay Mining and Smelting Co., Limited

A Dividend of fifty cents (50¢) (Canadian) per share has been declared on the Capital Stock of this Company, payable September 9, 1946, to shareholders of record at the close of business on August 9, 1946.

H. E. DODGE, *Treasurer*.

Canadian Bronze Company Limited

DIVIDEND NOTICE

The Quarterly Dividend of 1¼% on the PREFERRED STOCK of CANADIAN BRONZE COMPANY, LIMITED, has been declared payable the 1st day of August, 1946, to Stockholders of record as of the 10th day of July, 1946.

Also a Quarterly Dividend of Thirty-seven and one-half (37½c) Cents per Share, has been declared on the present outstanding COMMON STOCK of CANADIAN BRONZE COMPANY, LIMITED, for the three months ending July 31st, 1946. Payable the 1st day of August, 1946, to Stockholders of record as of the 10th day of July, 1946.

By Order of the Board,
W. C. PAQUETTE, Secretary.

Montreal, P.Q., June 28, 1946.

DIVIDEND NOTICES

The Sherwin-Williams Company of Canada, Limited

Notice is hereby given that a dividend of Fifteen Cents (15c.) per share has been declared on the no par value Ordinary Stock of the Company, payable August 1, 1946 to Shareholders of record the 10th day of July, 1946.

Books not closed.

By Order of the Board.
P. W. HOLLINGWORTH, Secretary-Treasurer.

Montreal, Que.
April 11, 1946.

FEDERAL GRAIN, LIMITED

DIVIDEND NOTICE

TAKE NOTICE that a Dividend of $2.00 per share on the 6½% Cumulative Preference Shares of the Company, on account of arrears of Dividends, has been declared, payable on July 31st, 1946, to shareholders of record at the close of business July 12th, 1946.

The transfer books of the Company relating to the said Preference Shares will be closed from the close of business on July 12th, 1946, until the close of business on July 31st, 1946.

By Order of the Board,
A. R. STRACHAN, Secretary.

Winnipeg, Manitoba,
June 17, 1946.

CANADIAN WALLPAPER Manufacturers Limited

NOTICE is hereby given that a dividend of One Dollar ($1.00) per share has been declared on the Class A. and Class B. shares of the Company, payable on and after July 19th, 1946, to shareholders of record at the close of business on July 5th, 1946.

By Order of the Board,
JOHN PRESCOTT, Secretary-Treasurer.

Toronto, June 28th, 1946.

CANADIAN MOTOR LAMP COMPANY LTD. "A" and "B" stock
Complete information upon request.
REILLY INVESTMENTS
Established 1926 Thos. Reilly, owner.
100 Adelaide St. West TORONTO WA. 2682

Market Comment

The budget took a good deal of the steam out of a mining and industrial market which had been all primed up to go. With Mr. Ilsley's tax pronouncements—disappointing marketwise—the averages promptly slipped off and volume dried up; an habitual postwar market reaction to news of a bullish nature. Subsequently a few specialities enabled the averages to regain the lost ground but market enthusiasm had been dealt a hard blow.

Many investors who might have taken on new commitments had sizeable tax relief been awarded industry now have withdrawn to the sidelines with the expressed determination to stay there until the labor picture in this country has cleared and the OPA muddle in the United States righted itself.

One of the few hopes for a summer mining market—a substantial easing in mining taxes—has evaporated. Now only exceptional new discoveries or upward revaluation in the price of gold remain.

Barron's; The Trader (New York) "Incoming orders, which slumped for several weeks after the early May peak this year, have turned upward for the first two weeks of June. The improving trend reflects, of courses, the ending of major strikes and the free movement of raw materials and finished goods. So strong is the upward trend of business volume and of prices that fears of a runaway boom are quite general.

"Time of year is now at hand when full flow of production and rapid expansion of industrial earning power should materialize. However irregular may be the rise under marginless and non-professional operations, stocks should not lose their earnings-dividends appeal at the very threshold of the delayed business boom."

Barron's: The Dow Theorist (New York) "Despite the decline in both averages early last week, the primary and secondary trends still must be considered upward, but possibly with a minor downtrend now prevailing."

• • •

New Highs and Lows

During the week ended July 1, there were 28 new highs recorded among the "general" stocks traded on Canadian stock exchanges and 14 new lows. In the mining group there were four new high and 57 new lows.

GENERAL

New Highs—1946

Aluminium pref.	Gord. McKay pf.
B. C. Packers	Godfrey
Bruck S. Mills	Guaranty Trust
Can. Convert.	Imperial Bk.
Can. Vickers pref.	McCabe Grain (B)
Can. Oil 8% pref.	Mt. Royal Rice
C. Wallpaper pf.	N. S. L. & Pwr.
Capital Estates	Regent Knit
Distillers Sea., new	Sherwin-Wms. pf.
Dom. Bank	Slater, N.
Dom. Stores	Tip Top Tailors
Dom. Woolens	Un. Amuse. A
Easy Washing	Un. Corp. A
Electrolux	Wood, A. & J., p.

New Lows—1946

Agnew Surpass pf.	Grafton A
Aluminum pf. 4%	Hamilton Bridge
Bertram & Sons	Mt. Royal Rice
Brown Co.	Murphy Paint pf.
C. Car & Fdry. p.	Robinson Cottons
For. Pr. Secs.	Stanley Brock B
Goodyear Tires pf.	Silverwoods W.D.

MINING

New Highs—1946

Chesterville	God's Lake
Diversified	Silver R.

New Lows—1946

Area	Knee Lake
Arntfield	Lake Rowan
Athona '37	Lapaska
Atlas Y.K.	Little L. L.
Aubelle	Lynx Y.K.
Aumaque	McWatters
Bear Exploration	Nicholson
Belleterre	Norgold
Bralorne	Orenada
Cartier Mal.	Pac. East
Celta Dev.	Pac. Nickel
Central Pat.	Paymaster
Cochenour	Pen-Rey
Duvay	Perron G.
Elder	Pioneer G.
Falconbridge	Pitt G.
Federal	Porc. Pen.
Fontana	Premier G.
Frobisher	Prospectors
Glenora	Richmac
Goldvue	Rouyn M.
Hasaga	Rush Lake
Heath	Sigma
Heva Cad.	Silbak
Hudson Rand	Sylvanite
Hugh Mal.	Thurbois
Int. Uranium	Wasa Lake
Jack Lake	Wekusko
J. M. Cons.	Ymir Yankee
Kirk. Towns.	

OILS

New Lows—1946

British Dom.	Mercury
Dalhousie	Mid Cont.
East Crest	Spooner
Madison	Turner V.

Norwich Union to Push Life Insurance Sales

Norwich Union Life Insurance Society announces that it will begin writing life insurance in Canada on a national scale shortly. Corbet L. Drewry, chief agent for Canada, becomes general manager for Canada and Kent H. Howard, formerly assistant manager for New Zealand becomes assistant general manager for Canada. The society, licensed in Canada since 1899, has not previously solicited life insurance on any important scale. It was established in 1808 with chief office at Norwich, England.

PACIFIC EASTERN GOLD MINES has received payment from Quebec Gold Mining Corp. and Noranda Mines for 75,000 shares at 35 cents and 7,500 shares at 50 cents. Issued capital—1,937,255 shares.

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NOTICE

NOTICE is hereby given that, pursuant to an Order of The Local Government Board bearing date the eleventh day of June, 1946, The Local Government Board (Special Powers) Act shall apply to St. Paul's Roman Catholic Separate School District No. 20, of Saskatchewan, and that an inquiry will be held into the affairs of St. Paul's Roman Catholic Separate School District No. 20, by The Local Government Board in the Board Room, Legislative Building, Regina, Saskatchewan, on Monday, the 15th day of July, 1946, at the hour of ten o'clock (Mountain Daylight Saving Time) in the forenoon.

ALL PERSONS INTERESTED will govern themselves accordingly.

DATED AT REGINA, Saskatchewan, the 11th day of June, A.D., 1946.

THE LOCAL GOVERNMENT BOARD
Per R. C. LANE, Chairman.

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FLIN FLON, MANITOBA
Hydro Electric Plant at
ISLAND FALLS, SASKATCHEWAN

Budget Helps Out The New Mines But Doesn't Give Hoped-for Aid

Disregarding a Senate subcommittee recommendation for a 50% depletion allowance for mine and individual alike, and providing far less government aid to mining than the industry had been hoping for, Finance Minister Ilsley's budget, however, did provide this assistance:

—A tax rate of only 15% (50% of the new 30% corporation tax) for new mines in their first three years of life, this provision extending to all mines coming into production any time in the three years following Jan. 1, 1947.

—A 30% tax rate for mines not enjoying exemption (against a 40% previous effective rate) up to 116-2/3% of "standard" profits.

—A reduction in EPT from 20% to 15% for all mines whose profits exceed the 116-2/3% figure and which do not come under the tax umbrella.

—Extension of tax credits for prospecting and exploration by mining companies for another year (1947) and reduction in rate from 26 2/3% to 20% making it consistent with the new level of taxes corporations must pay.

—Permission for mining companies to deduct provincial corporation tax from profits before calculating Dominion tax should provinces re-enter the corporation tax field.

Concession Limited

Operating mines which hoped to benefit by charging deferred development expense to back years, under terms of a previous budget, find this provision definitely limited in the new budget.

Such deductions are now limited to the amount of excess profits tax realized and the provision will not be allowed after 1946.

With new base metal and gold mines required to pay an over-all tax of only 15%, as compared to the current 18%, one result of the budget will be a 3% increase in realized profit.

How The Tax Works

How will producers fare under the new budget, compared with the pre-war year of 1938? The answer seems to be that new base metal producers are in a slightly better position than they were in 1938, new gold mines and all established mines slightly worse off.

To illustrate, take the case of three hypothetical mines in each of the three categories, all showing an operating income of $150,000 after all write-offs except depletion. Depletion of $50,000 is indicated in each case.

On the resulting net income of $100,000, the new gold mine would be taxed $15,000 in Dominion corporation tax, compared to $1,000 in Ontario corporation tax in 1938. Net profit plus depletion would be $135,000 in 1947, compared to $149,000 in 1938.

The new base metal mine would fare better than in 1938. Its only tax in 1947 would be $15,000, whereas a mine in the same circumstances would have paid a $15,000 Dominion tax and a $1,000 provincial tax in 1938. Net profit, accordingly, would be $135,000 instead of $134,000.

The established producer would pay a straight $30,000 in Dominion corporation tax, while in 1938 it would have had to meet only a $15,000 Dominion tax and $1,000 provincial corporation. Thus its net profit in 1947 would be $14,000 less.

Depletion Break Ahead?

While the budget failed to announce any change in depletion rates, it is pointed out that special legislation would not be required to change depletion rates and that it would not be necessary to announce any change in the budget speech.

Under the Income War Tax Act, the Minister is vested with discretion to determine what depletion rates shall be. At present, rates are 33 1/3% for corporations and 20% for individuals. Various bodies associated with the mining industry have made representations to the effect that the allowance for return of capital is not adequate and have asked a 50% depletion allowance, for tax-free capital return, for company and shareholder alike.

The Senate Committee on Natural Resources recently concurred with the findings of the CIMM, Ontario Mining Association, etc., on depletion, and recommended that mine depletion allowance be stepped up to 50%. There was no reference made in the budget to the question of depletion so that the answer for the request for an increase in depletion allowance remains to be given.

Duty-free Jeeps Not Yet Reality

OTTAWA (Staff)—The battle of the jeep has been lost—at least for this budget.

Much pressure was exerted on the Government to remove the tariff entirely on jeeps coming into Canada. But nothing was done. Reasons are said to be: (a) that it is better to leave this as a bargaining point when world and especially U. S. tariffs come to be discussed next year; (b) that jeeps are made only by one company and therefore, a precedent would be established if free entry were accorded.

WASA LAKE GOLD MINES reports that shaft has reached a depth of 400 ft. and will be carried to 490 ft. in incline before cutting 2nd level station at vertical depth of 400 ft. Shaft advance is averaging about 115 ft. per month.

KENNETH F. MACKENZIE

has been elected president of Photographic Survey Co.

MINING CONCENTRATES

GOLDORA MINES advises that balance of present option outstanding to Federal Trading & Agency Co. has been cancelled. In its place 100,000 shares have been underwritten at 12½ cents and an option granted on 1,125,000 shares at 15 to 75 cents. Upon issue of underwritten stock, issued capital will be 2,625,005 shares.

• • •

HALDEN RED LAKE MINES says that some 1,400 ft. of X-ray diamond drilling has been completed to date. Drilling is reported to have located and intersected two parallel mineralized zones located in volcanics and quartz porphyries.

• • •

HEADWAY RED LAKE GOLD MINES reports that balance of June 15 installment on 100,000 shares at 25 cents, together with subsequent installments with Verona Rock Products, have been extended for two months.

• • •

INTERNATIONAL URANIUM MINING CO. has terminated for default Apr. 1, option installment which was extended to June 15, comprising 100,000 shares at $1.50. There are no further options outstanding.

• • •

LAVALIE MINES reports drilling near east boundary has located conditions in a shear which appear to line up with a similar zone on adjoining Columbiere property. Companies plan a joint drilling program.

• • •

TAKU RIVER GOLD MINES has sold to Milner Ross & Co. $100,000 of 10 yr. 5% debentures at $95 and accrued interest.

OIL PRODUCTION

300,000 Acres Added By California Standard

From Our Own Correspondent

CALGARY — The California-Standard Co. last week added nearly 300,000 acres of crown oil and gas reservation to its holdings in Alberta, with work on the new holdings slated to get under way this season.

Caloil Corp., an Alberta-incorporated subsidiary of California-Standard, has acquired a reservation on crown oil and gas rights covering 142,400 acres on the central Alberta plains—marking entry of another major company interest into this section of the province. The rights are in Twps. 46 & 47 Rge. 1w4; Twps. 44 to 47 Rges. 2 to 4w4, and Twp. 44 Rge. 5w4. The block is in relatively virgin territory, bounded on the west by the Wainwright oilfield, Battleview gas area and Baxter Lake (where drilling is now under way); on the east by the Saskatchewan boundary and the Dina area where some oil has been produced; on the south by the Wainwright-Ribstone railway line; and on the north by the Vermilion oilfield (18 miles distant) and the Lloydminster oilfield (seven miles north).

On the Southeast Alberta Plains, California-Standard has acquired a crown reservation covering 156,410 acres, flanking the big Medicine Hat-Redcliff gasfield on the west and south, and fitting on to the west of Cal-Standard's Irvine holdings. The new rights are in Twp. 10 Rge. 3w4; Twps. 9 to 11 Rges. 4 to 6w4, and Twps. 11 to 14 Rge. 7w4.

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May Extend Turner

Foothills Oil & Gas Company, continuing its so-far successful extension drilling program in the "east side lime" area of North Turner Valley, is starting its Foothills No. 25 venture immediately. The No. 25 will be drilled in L.S.D. 6 9-21-3w5, 330 ft. west of the centre of that legal subdivision.

The well is a quarter mile north and east step-out from current producing limits, and would, if successful, add further width to the fault-block of Madison Limestone lying at depth to the east of the main Turner Valley limestone ridge in the north section of the field. Madison limestone estimate is around 8,500 ft.

The Foothills No. 25 site is about three-eighths of a mile southeast of Northend No. 1, current most northeasterly "east side lime" producer; about 1,000 ft. east of Foothills No. 18; about three-eighths of a mile northeast of Foothills No. 12; quarter of a mile north and 330 ft. west of Foothills No. 23; half a mile north of Foothills No. 20, and half a mile north and some 1,600 ft. west of Foothills No. 24.

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Foothills Oil & Gas No. 24, L.S.D. 15 4-21-3w5, extension east side lime completion in North Turner Valley, was kicked off late June 27 after being killed to pull packer, preliminary to being placed on steady production. Circulating oil was returned by 1.30 a.m. June 28, and well averaged 70 bbls. hourly with gas-oil ratio 1,210 cu. ft. per bbls. in 4 hours ended 7 a.m. This well was treated with a total of 10,500 gallons of acid. Prior to acidizing, it flushed at 20 bbls. hourly on booster gas. After final acid, it flushed with booster gas at 86 bbls. hourly in a 4-hour run Thursday morning, then flowed 68 bbls. hourly in one hour after input gas was cut off, immediately prior to killing to remove packer.

The well topped the Madison limestone at 8,140 ft., drilled upper porous between 8,235 and 8,355 ft., and lower porous between 8,575-8,585 and 8,590-8,660 ft. Porosity was just fair. The well is now going on steady production, should rate as a somewhat better-than-average producer when initial production allotment is set.

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Provost Well Producing

Imperial Oil has started its Imperial-Provost No. 1 on steady production as a discovery flowing oil well from a sand at the Lower Cretaceous contact, and is starting drilling at a second venture in the area immediately. The follow-up test, Imperial-Provost No. 2, is in L.S.D. 1 33-37-3w4, one mile north and half a mile west of the discovery.

Imperial-Provost No. 1, L.S.D. 3 27-37-3w4, completed at 2,549 ft., set 9⅝-in. casing at 2,530 ft., at top of the sand which cored and drill-stem tested favorably. In the 24 hours to 7 a.m. June 28 the well flowed steadily with gross yield 29 bbls. with an average of 400 lbs. pressure on casing and 120 lbs. on tubing and separator. Gas volume, under restricted flow, is around 165,000 cu. ft. per day. B. S. & W. cut has been fluctuating between 2% and 3.5%. Gravity of the oil, on checks last week, ranged from about 20.7 to 21.1 degrees API.

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Drilling contract for Shell Oil of Canada's initial 1946 central Alberta plains wildcat in the Fribourg area, has been let to Drilling Contractors Ltd. The well, known as Shell-Fribourg No. 31-32, is in the northwest 10 acres of L.S.D. 14 32-54-9w4. The contractor is erecting derrick at the site, will move in light rotary shortly.

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New Well for Bata

Bata Petroleums No. 15, Vera-Unity area, Saskatchewan, wildcat in L.S.D. 1 13-41-24w3, is being completed as a Viking sand gaswell, after drilling to total depth of 2,081 ft., into the top of the Devonian limestone (topped at 2,077.5 ft.). The crew has set 7-in. casing at 1,800 ft. through the Viking. Pipe will be perforated to open the gas sand.

Commercial gas production in the Viking was indicated in a drill-stem test recently with bottom 1,637 ft. and packer at 1,596 ft. Gas volume was clocked at 458,000 cu. ft. per day despite fact leaky packer let in a 300-ft. column of drilling mud, and packer failed to end test after seven minutes. The figure is, therefore, no measure of potential. The well continued on to and through the Lower Cretaceous, finding no Unity sand, and halted after confirming the limestone.

Verbata Gas & Oil No. 2, L.S.D. 7 24-41-21w3, three-quarters of a mile north and half a mile east of Bata No. 15, has completed drilling in the Silurian at 4,490 ft. The well is being plugged back to base of 8⅝-in. casing, which was set in the top of the Devonian limestone, entered at 2,064 ft. The well will gun-perforate casing opposite the "Vera sand" of the Lower Cretaceous, 1,830-50 ft. where a show of heavy oil was obtained in cores. The well will then re-open the Viking sand, 1,575-90 ft. where a 65-minute drill stem test gave gas at rate of 875,000 cu. ft. per day through one-half-inch choke against 230 lbs. bottom hole flowing pressure.

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The Canadian Government has extended until January 1, 1948, the wartime Taxation Concessions designed to encourage and stimulate oil and gas exploration and development in the Dominion. The Concessions had been slated to expire the beginning of 1947. Their extension for an additional year is expected to materially affect the scope of exploration in 1947.

NEWNORTH GOLD MINES will use a heavy and an X-ray drill to test its Courageous Lake, N.W.T., property. No news or reports have been received over break-up period.

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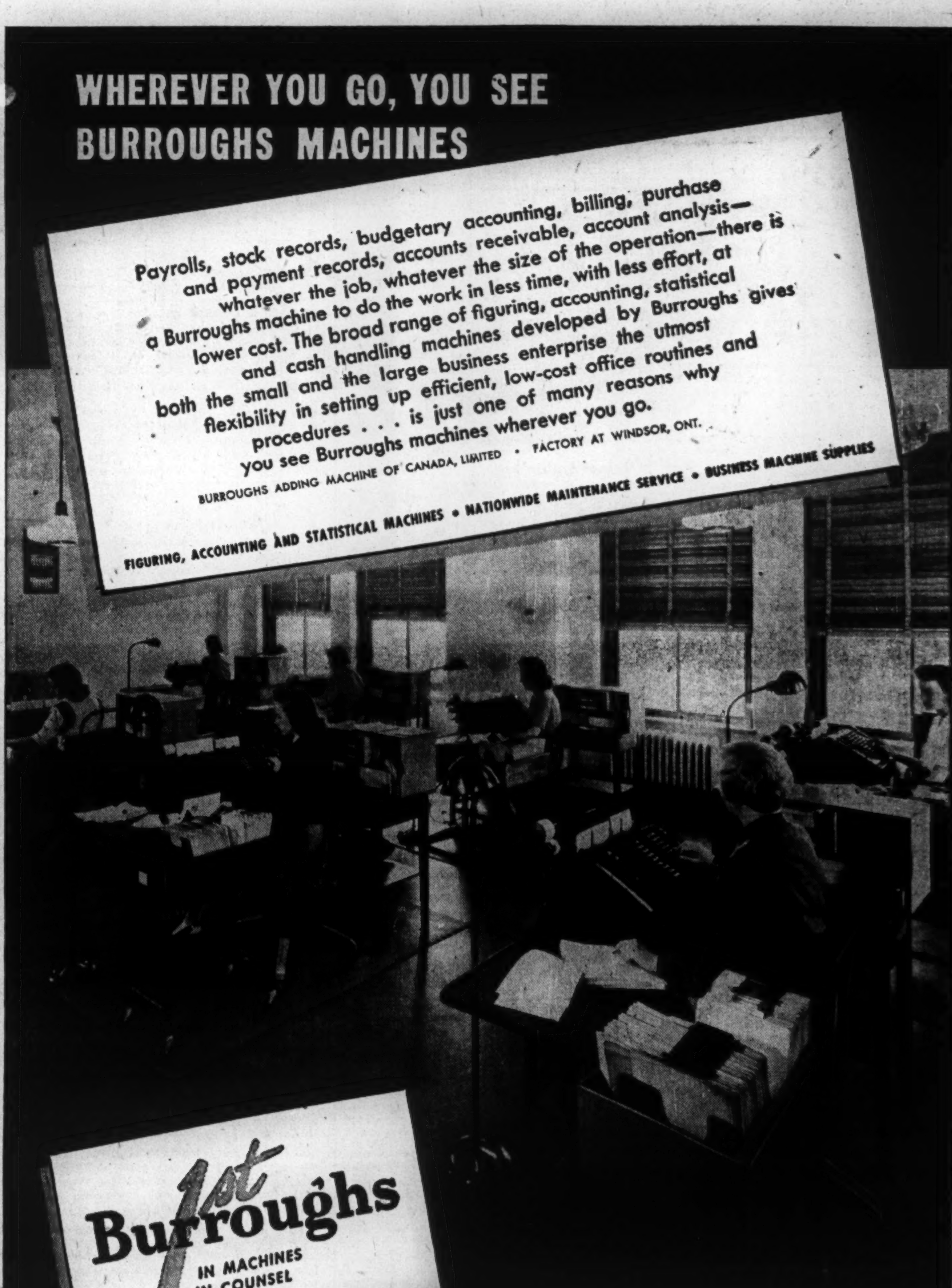

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Kirkland Lake Recovery Slows Up More Manpower Needed for Job

By GORDON M. GRANT

KIRKLAND LAKE—While war veterans and war workers may be still looking for jobs in towns and cities of southern Canada, well-paid jobs are going abegging in this great Ontario gold mining centre, where mine managements would like to accelerate the work of rehabilitation and returning to normal.

The manpower situation is vastly better than a year ago but in the last month or so, the improvement has levelled off; some mines are actually losing a few men today. "I could use 20 men on rehabilitation of timbering alone," declared the manager of one large Kirkland Lake mine.

Bulk of the new men being taken on are inexperienced. Gold mines have had no young men to train in recent years and only return of veterans who were skilled miners has maintained the balance in underground crews. Most of the veterans who intended to return to their mine jobs are already back; but one mine reports that further men expected could boost its crew by 15%.

Housing Crisis Also

If the housing shortage were not so acute, a greater influx of labor might be able to get more men. Efforts are being made to break that bottleneck. At Virginiatown, east of Kirkland Lake, Kerr-Addison is reported putting in 50 new houses including 13 being moved holus-bolus from Nobel.

But one mine manager feels that labor forces for Canadian gold mines will continue inadequate until Canada "adopts a limited program of immigration." If the time comes when there are gold mine jobs and no Canadians to fill them, immigration could well be considered, it is suggested. Middle Europeans have been found courageous and resourceful as workers before now.

Postwar Plans Behind

Manpower gains to date have only allowed a good start on postwar plans at some larger mines although one mine, Chesterville, is reported back at capacity of 700 tons.

Wright-Hargreaves, Kirkland Lake, Lake Shore and Sylvanite on "main street" would all speed up development programs, were men available. And despite ravages of war there are situations at several mines where important ore news might be made—if needed work could be done.

Prospects Actually Brighter

In fact, prospects today are for a much longer life for the Kirkland Lake camp than appeared likely not so many years ago. Of course, higher costs could prove a serious "nigger in the woodpile." And the challenge of union labor demands threatens the future of the industry.

Both depth and parallel ore possibilities of Kirkland Lake appear much improved. Lake Shore has not only established ore at depth but also north and south of its two main previous ore-producing lodes. Wright-Hargreaves has established persistence of gold values to at least 7,200 ft. indicating ore below the barren 6,300 ft. level.

Kirkland Lake Gold Mining Co. has major new ore resources in its hanging-wall veins, hopes to cash in on them in due course. Teck-Hughes Gold Mines expects a marked postwar revival on the basis of hanging wall veins like those at Kirkland Lake next door to the west. Macassa, west of Kirkland Lake, stands to benefit through the opening up of extensions of Kirkland Lake ore.

While exploration has been resumed at most mines, it is still on a pretty slim scale. Wright-Hargreaves is deepening its shaft but progress is necessarily slow. Upper Canada, to the east, has had fine new disclosures of better grade at its No. 2 shaft; and improved results at its original No. 1 shaft.

Lake Shore is working east on its 5,800-ft. level but would like to be working at 6,800 ft.; and to be doing more on its important parallel ore occurrences. Kerr-Addison is bending every effort to place its mine in position to furnish ore for a 4,000-ton mill a few years hence. Kirkland Lake Gold Mining Co., with its new winze finished, giving access to rich hanging wall ore at depth, should provide important ore news before 1946 is finished.

High Costs Perilous

In perhaps no other branch of industry are increasing costs being watched with as much concern as in the gold mining industry (as typified by Kirkland Lake). Cost of hydro was reduced a little last year by action of the HEPC in reducing rates, but practically all other costs are up. Steel is higher. Cost of casting is up 20%. Cost of explosives has remained relatively stable; but over-all increase in cost of supplies is about 11%. Wages and salaries cost just about twice as much as the cost of supplies and power taken together at Kirkland Lake. It is no secret that the various Kirkland Lake Mines feel that they cannot meet any demand for increased wages just now. The gold mines are hoeing a long, lean row, and the margin of profit is reported too low to permit greater wage payments no matter how much labor might like them and management would like to give them.

Manifestly, the Kirkland gold mines may have a trying period ahead. But there are some encouraging indications on the horizon. Fourteen members of the Dominion Senate visited the area last week to learn for themselves the industry's problems. Hon. Leslie Frost, Ontario Minister of Mines, addressed a Kirkland Lake audience June 21 and suggested that problems should be brought to his attention. Gold mining problems are peculiar to that industry and require a special solution, a general manager stresses. Co-operation is seen the basis on which such a solution may be worked out.

Ontario Security Commission Options

Company:	Underwriter:	Purchased (Underwritten) Shares	At c.	Date	Option No. *Shares	Received Price Range c.	Capitalization Author. Shares	O/s Shares	Accepted
Abbot Red Lake M.	Partenan Malartic G.M.†	......	..	May 15	1,999,995	5-50	3,000,000	1,000,005	June 3
Beauregard Yel'k'fe M.	Goldwin Exploration Co.	50,000	8	May 30	750,000	8-30	3,000,000	1,525,105	June 12
Childs Red Lake G. M.	Co. granted security issuer's registration.						3,500,000	1,199,930	June 4
Chimo G. M.	Ordon Securities	100,000	30	May 13	1,600,000	30-$1	3,500,000	1,442,086	June 3
Cunigold M.	Co. granted security issuer's registration.						3,500,000	1,802,515	June 5
Cal. Yellowknife G. M.	A. J. MacKinnon†	......	..	May 14	42,260	$1	100,000	54,640	June 8
Davidor M.	Co. directors†	......	..	Jan. 20	200,000	15	3,000,000	1,000,005	June 13
Davidor M.	Louis Lavut†	......	..	Jan. 19	300,000	20	3,000,000	1,000,005	June 13
Darmac G. M.	Co. granted security issuer's registration						3,500,000	1,523,900	June 5
W. H. Emens Min. Corp.	Co. granted security issuer's registration.						3,000,000	1,000,005	June 5
Fry Red Lake M.	Co. granted security issuer's registration.						3,000,000	1,000,005	June 6
Kiska G. M.	F. R. Marshall	100,000	15	May 31	400,000	17½-20	3,000,000	1,500,005	June 14
Lavalie M.	Federal Trad. & Ag. Co.	635,994	10	May 15	2,000,000	15-$1	5,000,000	2,764,006	June 18
Ourgold Mining Co.	Co. granted security issuer's registration.						3,500,000	1,225,007	June 4
Senvil M.	Conwest Exploration, International Mining, Mas Holdings, Que. S. & Refin.	500,000	10	Mar. 30	1,499,994	20-$1	3,000,000	1,500,006	June 8
Silver Arrow M.	R. R. Swan	400,000	5	May 27	1,100,000	7½-15	3,000,000	1,000,005	June 13
Walhart G. M.	Southminster G. M.†	......	..	June 1	2,200,000	10-61	4,000,000	1,300,005	June 4
Western Que. Mines Co.	Que-On Mines	20,000	25	Dec. 17	1,780,000	25-$1	3,000,000	926,675	May 27
Youngmacs Prospecting & Devel. Co.	Particulars of sale through any registered broker in Ont. Accepted for filing June 14.						300,000	100,006	June 14

†Optionee.

AMENDMENTS TO PREVIOUS AGREEMENTS

Extended:	Amended:	Cancelled:	Terminated:
Hay Gold Mines	‡Canaska Explorers	Metalore Mining Corp.	Courtmont G. M.
Kensull G. M.	Celta Develop. & Min. Co.		Rockridge G. M.
Malga Porcupine G. M.	‡Claverny G. M.		
Vicour G. M.	‡Dukel G. M.		
Marlon Rouyn G. M.	‡Duluth Red Lake G. M.		
Normar G. M.	‡Fulbro Red Lake G. M.		
	*Gallant G. M.		
	‡Quesabe Mines		
	‡Quest Yellowknife M.		
	‡Salmita Northwest M.		
	‡Sovereign Yellowknife M.		
	‡Stormont G. M.		
	**Tyon G. M.		
	‡Adnaron Copper Corp.		
	‡Bradnor Malartic M.		
	‡Clarnor Malartic M.		
	‡Courageous G. M.		
	‡Destorado M.		
	‡Glenlivet G. M.		
	‡Ingray Yellowknife M.		
	‡Nasidon G. M.		
	‡Norocona G. M.		
	‡Riverside G. M.		
	‡San Pedro Mining Corp.		
	‡Vinray Malartic M.		

‡In default.
‡Accepted for filing.
*Assigned.
**Not exercised.

KENVILLE GOLD MINES has received payment from Quebec Gold Mining Corp. and Noranda Mines for 200,000 shares at 25 cents. Issued capital—3,225,605 shares.

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Onakawana Lignite Said To Be Non-commercial

As much as 30,000 tons of lignite may be mined this fall and winter from the Onakawana lignite deposits but only because of an anticipated extreme fuel shortage, Leslie M. Frost, Ontario Minister of Mines, states.

A total of $1,066,363 has been spent on the project up to March 31; cost of turning out processed lignite with the present plant is estimated at $28 to $30 a ton; and installation of a commercial plant would cost about another $1 million with only "a fair fuel" turned out, it is stated. B.t.u. content would be low and product would be dusty.

The raw lignite to be turned out will be placed on sale in Cochrane at about $6 a ton including dealer's charge. Additional charges of a cent a mile for transportation will be made at other centres.

Experiments at Cochrane court house last winter showed that raw lignite might be used as fuel "while at the same time it was not the most desirable type of fuel." In view of the shortage, however, it was felt that for this year at least, "anything that can be burned should be burned."

According to a report of the Fuel Commission, the economic limit for cost of turning out processed lignite would be $4 a ton. Only about 5,000 tons of processed lignite could be turned out with the present plant, it is stated, at a loss of $24 to $26 a ton.

Mr. Frost reports that a committee of the Legislature found that from the evidence obtained and advice of the technical staff, it was not believed that development of the deposit was economically sound, particularly in view of the lack of evidence of any substantial backlog of industrial markets. It is noted that the Ontario Northland Rly. is ruled out definitely as a prospective customer, while the Fuel Commission was of the opinion that raw lignite was not a commercial fuel.

MINING CONCENTRATES

AUFRON MINES reports cutting extension of main structure in which the adjacent Frond Lake Mining Co. has indicated mine-making conditions. Ore shoots are reported in two bands of mineralized garnet gneiss, about 300 ft. apart. Two holes in the same plane on Aufron intercepted both zones which carry fine to massive mineralization with low gold values.

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BAGAMAC MINES has received payment covering May 31 underwriting installment, comprising 100,000 shares at 33 1/3 cents. Issued capital 2.9 million shares.

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ADELE MALARTIC MINES has spotted hole A-5, first in a new series to test findings of the recent geophysical survey. The hole will cross two diorite anomalies as indicated by geophysical survey.

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BANKFIELD CONSOLIDATED MINES says that an area of magnetic intensity has been indicated on claims jointly staked by Towagamac and Bankfield in Granville Lake area, Man. E. A. Boadway, field manager, states that several dip needle traverses were run and an anomaly in basic rocks was located. A magnetometer survey of the property will be made this year.

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BRADNOR MALARTIC MINES reports that drill is being set up at a point approx. 600 ft. south of Bradnor northeast corner on Bradnor-Vinray boundary.

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CHIBOU - WICA GOLDFIELDS has sent in a crew with supplies and equipment to start exploratory work on No. 6 property in Opawica Lake area, northern Que. Work is expected to start shortly on No. 1 property south of Grand Chibougamau and Norbeau in Portage Island section, Que.

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CENTREMAQUE GOLD MINES reports completion of hole 14-A, cutting several quartz stringers bearing pyrite, arsenopyrite and low gold values. No. 15-A, on extension of East Sullivan ore zone, has cut 38 ft. of rhyolite breccia and lavas carrying pyrite and pyrrhotite. No. 16-A, in the same area, encountered similar results, but copper values were absent.

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COURAGEOUS GOLD MINES reports 50% of field work in connection with electrical survey conducted on property completed.

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CANAGAU MINES advises that geophysical surveying and diamond drilling of Ben Nevis twp. property failed to indicate a commercial ore body. Further work is being carried out.

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CHESKIRK MINES advises that hole No. 30 cut a section of granite which returned $5.01 across 3 ft. at 241.5 to 244.5 ft.; $12.32 across 2 ft. at 313 to 315 ft.; $5.01 across 5 ft. at footage 345.5 to 350; $4.62 across 2 ft. at 391.5 to 393.5 ft.

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BUFFADISON GOLD MINES says that extensive diamond drilling carried out in 1945 has warranted decision to proceed with underground development. Contracts have been entered into for installation of power and for sinking a shaft to 1,000 ft. Diamond drilling in 1945 indicated two ore zones over a length of 500 ft., with possible extensions on both ends. South zone, drilled to a vertical depth of 400 ft. as intersected in holes, 4, 5, 6 and 8, showed an average width of 4 ft. and average grade of $23.48. North zone, intersected by same holes drilled to a vertical depth of 1,200 ft., showed an average width of 6.8 ft. and average grade $17.71. Current assets were $145,295 and liabilities $13,233, as at Dec. 31. Since that date 525,000 shares have been sold for $180,000.

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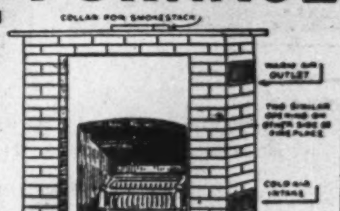

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The Provincial Roundup

Confederation Is 79 Years Old Reconfederation Still Possible

Confederation's 80th year dawned this week, with brighter prospects for reconfederation on the horizon (though some observers said Finance Minister Ilsley's "take it or leave it" "budget offer had not improved the situation). Ontario's Premier George A. Drew—although still adamant for provincial rights—agreed that the door was not irrevocably closed; called for a resumption of Dominion-provincial negotiations.

Arguing that half a loaf is better than no bread, Manitoba's Stuart Garson voiced this challenge to Drew and to Quebec's Maurice Duplessis: "If you don't accept the Dominion proposals, will you consent to the other provinces' signing separate agreements? That won't cost your treasuries a cent."

Answered Drew: "Separate agreements would create a most undesirable situation . . .seems no necessity to discuss them . . . it is time for the Governments to meet again, discuss the various proposals, seek a temporary agreement for a period of transition . . . which will be followed by a permanent adjustment of taxing powers, to lay the foundation for the strongest possible system of Federal Government in Canada."

Duplessis remained the chief question mark. Said he: "Quebec is ready to co-operate with any Government which will acknowlege the Constitution; but we will not sell our rights and become a tenant in our own home. The (Ottawa) proposals were designed to eliminate the provinces, abolish the legislatures, and strengthen the power of the central, bureaucrat-controlled Government. The campaign of centralization and assimilation is under way; Quebec is now passing through the gravest hour she has ever known."

• • •

British Columbia

The Winnah!

The tumult and the shouting died in Vancouver-Point Grey, and—to the surprise of few—the status quo in the Legislature remained unchanged: Liberal-Prog.-Conservative-Coalitionists, 37; CCF, 10; Labor, 1. The Coalition elected two supporters in the double-barrelled by-election, defeating two CCF candidates (one Mrs. Dorothy Gretchen Steeves, former MPP), one Democrat and one Liberal-Industrialist.

Finance Minister Herbert Anscomb, leader of the Prog.-Conservative wing of the Coalition, made clear, however, that it was not to last forever: "Under a permanent Coalition, there would only be two parties; and since the Opposition must eventually become the Government, you would not be able to escape Communism. The present working arrangment between the two old parties is very satisfactory, and that is all that is required during the emergency."

Some observers believed the coalition might tentatively dissolve on the eve of the next provincial election. If either party gained a clear majority, it would assume power; if not, the two might join forces once more against "the common enemy" (the CCF).

Liquor rations were upped 50% this week to three quarts a month (only one quart of Scotch permitted). Alternative quotas: Six dozen pints of beer, or two quarts of imported wine, or one gallon of domestic wine. Gin is unrationed.

Pacific Great Eastern Railway will have exclusive bus rights on the Prince George-Dawson Creek highway when it is completed next year, Premier John Hart announced.

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Alberta

Miners Don't Like Board

A one-day strike of most of Alberta's 6,000 coal miners, was estimated to have cut coal production 26,000 tons. The strikers were protesting against decisions and personnel of the Alberta Workmen's Compensation Board.

Two thousand Drumheller Valley miners demanded immediate removal of Carl C. Cook, chairman of the board, and Alfred Farmilo, secretary of the Edmonton Trades and Labor Council, who was appointed by the Government as labor representative on the board. Some argued that a one-day protest holiday was too tame; advocated a mass demonstration march to Edmonton.

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Saskatchewan

No Remorse Over Morse

The Morse by-election resulted, as few had doubted, in a victory for the CCF's James Gibson; but Liberals claimed a moral victory; said they would have won handily, in a two-man fight. (Incomplete returns gave Gibson, 2,884; Wiebe, Liberal, 2,315; Ramsay, Prog.-Conservative, 1,034).

The CCF's two-year record was the main issue in the contest. The Government defended mainly its farm security legislation, facing a test in the Supreme Court of Canada in the autumn. Liberals assailed "Socialist politics," and charged increaed taxation threatened ruin to the province's economy. Ramsay, provincial Prog.-Conservative leader, defined the issue as "whether the people wish continuance of socialistic legislation."

The outcome left the standing in the House as it was before the resignation "for personal reasons" of Morse's S.M. Spidell: CCF, 47; Liberals, 5; Armed Forces, 3.

Co-operatives Minister Lachlan Fraser McIntosh (North Dakota-born, despite his name), helped to blaze a trade trail over the route first explored by Henry Hudson more than three centuries before. Home after a two-months trip overseas, he announced token shipments between Saskatchewan and United Kingdom co-ops via the Hudson Bay route, will begin this summer. (Six British ships were due at Churchill next month, with cargoes of manufactured wares; were to pick up 1,750,000 bushels of wheat there). Said McIntosh: "If we can get comparable shipping rates, there is no doubt of the Bay route's being used more extensively to provide British manufactured goods to western people at substantially lower cost."

McIntosh also brought home, if not the bacon, at least the lowdown on the bacon situation overseas. After visiting Denmark, he reported: "Nothing is being done there in bacon production, processing or distribution, which cannot be done by western Canada producers. Canadian bacon is rated high on the British market; our main concern should be to publicize it to British housewives."

A fleet of 21 Government buses were in operation over 3,300 miles of provincial highway at mid-year, with 27 more vehicles on order. Recently, the Government had taken over seven more routes from Greyhound Lines: Regina to Melfort, to North Portal, to Assiniboia and to Saskatoon; Saskatoon to North Battleford and to Prince Albert; Albert to Wakesiu.

Ontario

How Dry We Ain't

Thirsty Ontarians this week, had more liquor than they had been able to shake a swizzle stick at, since 1942. Rationing began at a level of 160 ounces a month; dropped at one period to 13 ounces a month. Recently it had been 102 ounces. Last week, British Columbia upped its quota 50% (which merely meant 78 ounces a month, in place of 52). Ontario's Liquor Commissioner Wm. Griesinger immediately saw that raise, and upped it another 50. That gave Ontarians eight 26-ounce quarts monthly. Rationing appeared definitely on the way out.

But three months after C (Cocktail) Day the province still had no cocktail lounges; no assurance as to when it would have. Authorities went cautiously partway out on a limb, to the extent of guaranteeing: "Some time this summer—we hope." From the fog of conjectures, one definite announcement emerged: there would be no price ceiling. But authorities still had a big stick up their sleeves; licenses could always be suspended, or cancelled, if any establishment was guilty of excessive gouging.

Tory Ontario was blazing a world trail (so said Agriculture Minister Thomas Laird Kennedy) in extending workmen's compensation to farm workers. Tentative arrangements require farm employers to pay $1.80 per every $100 wages for general farming, 90 cents in specialized farming (poultry and hog raising, truck and fruit farming), where risks to workers are not so great. A totally disabled farm worker would be entitiled to two thirds of his average income, up to $2,500; a widow, in case of fatal accident, to $45 a month plus $10 a month for each child under 18.

"To my knowledge, no such compensation is given to farmers in any other part of the world," said Kennedy, a fruit farmer.

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Quebec

Bonne Nuit Pour le Jour

Jean Charles Harvey, apostle of a better Bonne-Entente, had had it. His nine-year-old weekly, Le Jour, doomed before it was born, folded last week (admittedly, from financial anaemia). Said Harvey: "There is nothing nationalistic about being honest and tolerant. I have often been asked why I am attacked with such animosity. Any Canadian, of French descent, who proclaims liberty of conscience, thought or word, will be considered as heretic, almost a traitor to his race, even though in reality he has merely refused to be a traitor to man." Simultaneously—perhaps phoenix-like, a new weekly, Le Clairon, blossomed in Montreal and in Quebec (director, Senator T. D. Bouchard, fellow-traveller with Harvey, on the thorny bonne-entente path).

"A strong Communist organization, Moscow-financed" operated in Montreal, virtually under the nose of St. James St., charged Premier Maurice Duplessis, Canada's No. 1 anti-Communist, declaring he had documentary evidence. He added that soon after his Government enacted its padlock law in 1937, Moscow "ordered" an illegal mass meeting called in Montreal, so photographs of police breaking it up, could be sent to Russia for propaganda use.

The issue of municipal rights was raised once more by Montreal's J. O. Asselin, Executive Committee Chairman, addressing the Canadian Mayors' Conference: "We ask that a more equitable share of provincial revenue be returned to municipalities as compensation for facilities made available by them for the general good, and utilized by the public, irrespective of their place of domicile." Municipal officials, he contended, were entitled "to be taken a little more into the confidence of provincial Governments, in any contemplated legislation involving municipal adminislration."

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New Brunswick

To Beer or Not to Beer

Pubs were definitely out, for 1946 (unless the Legislature reconvened later in the year, as had been intimated earlier). But there were indications that a growing demand for beer sale in hotels, would be voiced in 1947. Advocates of the system argued it would encourage hotels to improve their facilities, and hence stimulate tourist traffic; also that it might help to counteract rum-running, reported on the verge of a postwar revival. The McNair administration closely kept its own counsel on the subject.

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Nova Scotia

Bermuda, Ahoy!

The Province hoped for early restoration of pre-war shipping service from Halifax to Bermuda and the West Indies. Bermuda, reported Gordon B. Isnor, M.P., Halifax (who headed the Canadian delegation to the recent Empire Parliametary Association conference). wants Canadian lumber and other wood products, with good possibilities also for textiles, cereals, and miscellaneous foodstuffs. Speeding up of export permits for shipments out of Halifax, was also asked. Delays sometimes of several weeks, in permit issuance, were said to have caused considerable loss to shippers.

A new field—shrimping—unfolded before the coastal fishing industry, as Capt. J. L. Beck brought into port at Halifax, the first known catch of that crustacean species off the province's seaboard. He reported them plentiful, 15 miles off Shelburne, planned another trip soon.

Annapolis Valley apple growers laid plans to donate 1,000 barrels of best grade crimson Gravensteins to the United Kingdom, to vary the "austerity" diet there, and simultaneously to help popularize Nova Scotia fruit.

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Prince Edward Is.

Not So Insular

The Island foresaw improved ferry connections with the mainland, as the new ferry Abegweit neared completion, and as the CNR called for tenders for $2 millions improvements to its carferry terminals at Borden, P.E.I., and Cape Tormentine, N.B. Piers, it was understood, may be extended some distance out into the straits, to minimize the winter ice hazard, and protect the ferries from the shore-bound ice packs.

Recent discovery of new uses for gelatins contained in Irish Moss, opened a new market for Island exporters. One shipper reports having delivered over 200,000 pounds to the United States, with plans to increase that total tenfold before the year-end.

NICHOLSON MINES says that June 21 option installment has not been exercised and balance of agreement with Minasec Agency has been terminated for default. There are no further options outstanding.

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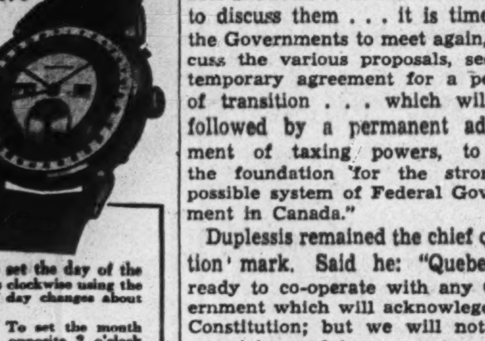

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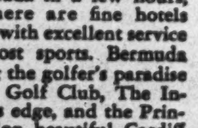

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One of these days, the shortage of parts and materials is bound to ease up. And when it does, those twin-assembly lines at Packard will really roll.

Anyway, you can depend on this:

As fast as the factory ships cars to us, we'll do everything we can to deliver yours at the earliest possible moment.

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